
Central Government Supply Estimates 2008-09

Main Supply Estimates

21 April 2008

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Main Supply Estimates

for the year ending 31 March 2009

*Presented by Command of Her Majesty
Ordered by the House of Commons
to be printed 21 April 2008*

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ISBN: 978 0 10 295367 1

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Printed by The Stationery Office 04/08

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TREASURY CHAMBERS
21 April 2008
JANE KENNEDY

Section 1.

Introduction

1. Supply Estimates are the means by which the Government seeks authority from Parliament for its own spending each year. The Main Estimates start this process and are presented to Parliament at around the start of the financial year to which they relate. Detailed departmental Estimates are presented to Parliament by the Treasury and a Supplementary Budgetary Information publication is presented alongside the Main Estimates to provide read-across between the figures in Main Estimates and departmental reports.

2. The format of resource-based Supply Estimates is described in detail in **Section 2**; **Section 3** describes the way in which Parliament considers the Supply Estimates; **Section 4** summarises the important voted elements of the Estimate; and **Section 5** consists of individual departmental Estimates themselves.

2008–09 Main Supply Estimates

3. The total resource expenditure, for which authority is sought in the 2008–09 Main Estimates, is £447.9 billion. This spending is consistent with the Government's plans for public expenditure as a whole, as set out in Public Expenditure: Statistical Analyses 2008 (HC 489). Further information is contained in the Departmental Reports. The introductory note to each Estimate contains cross-reference to the location of material in the reports, where relevant.

4. The total forecast outturn for Supply expenditure in 2007–08 is £443.3 billion. Resources sought through Supply for 2008–09 are £4.6 billion higher than the forecast outturn for 2007–08.

Table 1 Summary of Supply provision sought, current year and comparison with previous years

| | £ million | | |
|---|----------------------|--------------------------------|--------------------|
| | 2008-09 Provision | 2007-08 Forecast outturn | 2006-07 Outturn |
| Gross resource | 509,134 | 502,208 | 458,258 |
| <i>Less</i> Operating appropriations in aid | -61,231 | -58,870 | -56,387 |
| Net resource requirement | 447,903 | 443,338 | 401,871 |
| Capital | 47,827 | 30,834 | 26,970 |
| <i>Less</i> Non-operating appropriations in aid | -15,302 | -13,888 | -11,356 |
| Accruals to cash adjustments | -55,641 | -61,521 | -44,196 |
| Net cash requirement | 424,787 | 398,763 | 373,288 |

5. Table 2 in Section 4 shows: the net resource requirement for each Request for Resources (RfR) and the net cash requirements sought for each Estimate in 2008–09; the total provision and forecast outturn for 2007–08; and the outturn for 2006–07.

6. The 2008–09 Main Estimates are presented in four volumes. This volume covers the main central government departments. Three separate booklets are being presented to Parliament by the House of Commons (HC 486), the National Audit Office (HC 488) and the Electoral Commission (HC 487).

Section 2.

Format of Resource-based Supply Estimates

1. This section explains the format of Main Estimates. The format of Supplementary Estimates will be described in their introductory pages when they are published during the course of the year.

2. A total of 52 Main Estimates are presented for 2008–09 within this booklet. There is a single resource-based Estimate for each department (including those for the House of Commons, the National Audit Office and the Electoral Commission) and separate Estimates are produced for those public service pension schemes having their own resource accounts.

Structure

3. Each detailed departmental Estimate is accompanied by explanatory notes containing basic information intended to put the Estimate into context, including a general description of the expenditure involved; an explanation of the Accounting Officer responsibilities for the Estimate; and an indication of any important features or related Estimates, such as those for public service pension schemes.

4. The core elements which consist of the sums and services to be voted in each resource-based Main Supply Estimate are produced in a standard format.

Part I

5. **Part I** of resource Estimates contains the following key facts:

- (i) the net provision sought (i.e. the amount of expenditure in resource terms and the net cash requirement for the coming financial year);
- (ii) a formal description of the services to be financed from each Request for Resource (RfR) in the Estimate, known as its Ambit. The Ambit clearly indicates the scope of the expenditure to be financed from each RfR including, where appropriate, associated non-cash items;
- (iii) the department that will account for the Estimate; and
- (iv) any amounts, resources and cash, that have already been allocated to the department in the Vote on Account.

6. The net resources required, appropriations in aid totals (operating and non-operating), net cash requirement and the Ambit will be reproduced in the Appropriation Act, which provides the statutory authority for the expenditure. No expenditure may be financed from the Estimate which is in excess of the net totals shown, or which is not covered by the Ambit. Ambits must be kept under review to ensure that they properly describe the purposes for which expenditure is intended to be incurred.

7. The Ambit in Part I of the Estimate must be clearly descriptive of the functions to be carried out by the department as should the descriptions attaching to individual sections within an RfR in the Part II: Subhead detail. However, the title of each RfR should be objective-based in order to provide a link with Schedule 5 of the resource account – whose purpose is to inform users of the accounts as to how resources have been divided between the department's objectives.

- Parts II and III** 8. The following two parts of the resource-based Estimate provide a further breakdown of the income and expenditure for which approval is being sought.
9. The **Part II** subhead detail table is in a tabular or matrix format.
10. Each resource Estimate is split into one or more Requests for Resources (RfRs), each relating to one of the main aims or functions of the department. Each RfR shows a breakdown of expenditure in accordance with the following spending control framework classifications, which in turn are classified according to spending sectors as appropriate:

Spending in Departmental Expenditure Limits

Central Government spending
Support for Local Authorities

Spending in Annually Managed Expenditure

Central Government spending
Support for Local Authorities

Non-Budget

11. Beneath these levels, each RfR may contain one or more functional lines (sections), as necessary.
12. The individual resource items within the RfR sections are the “subheads” against which the Treasury will require the expenditure to be accounted. Departments may not redistribute sums shown for resources between sections, or into administration spend within sections, without the agreement of the Treasury, which (as long as the total gross and net amounts voted by Parliament are not exceeded) may sanction the use of savings in one section or subhead to meet excess resource expenditure in another; a process known as “virement”. This discretion will not be used in cases where the proposed reallocation is thought to be of such importance or so great a departure from the original Estimate that it should be brought specifically before Parliament by means of a Revised or Supplementary Estimate.
13. Resource expenditure may not be vired between RfRs. Such transfers always require a Revised or Supplementary Estimate.
14. The different types of expenditure within the Estimate are shown in the vertical breakdown of the table. Columns 1 to 6 show all voted resource expenditure scored on an accruals basis. Columns 1 and 2 show direct expenditure by the department and its agencies and other bodies within the resource accounting boundary. Column 3 shows grants and transfers to bodies outside the department’s accounting boundary, including grants to persons. All of these three columns include amounts in respect of the current consumption of assets, but do not include the amounts associated with the acquisition of capital items.
15. Operating appropriations in aid (A in A) – income that is offset against gross resource spend – are shown in column 5. The total of the A in A amounts identified against each RfR line are subject to parliamentary control. Appropriations in aid are deducted from the total of gross resource expenditure shown in column 4 to give a net total amount (Column 6). The identified net totals against each RfR are also subject to parliamentary control.

16. Columns 7 and 8 show the non-resource elements of the Estimate and are also scored on an accruals basis. Column 7 shows forecast capital acquisitions and Column 8 shows forecast appropriations in aid, which relate to non-operating cost items such as income from the disposal of fixed assets. The total amount of non-operating A in A for the department will be subject to parliamentary control.

17. Unlike resource expenditure, gross capital provision may be vired between RfRs with the agreement of the Treasury.

18. The final two columns of the Estimate show net total resource figures for the two prior years. These figures are for comparative purposes and are adjusted as far as possible to be consistent with the Estimate format for the coming year.

19. A detailed explanation of the reconciliation between the net resource total and the net cash requirement is shown in the second section of Part II. Capital expenditure is not directly voted by Parliament, but the cash required to finance capital expenditure has to be provided. This therefore forms part of the cash requirement, which means that net capital expenditure is added to the net resource total. Other non-cash items, which were included in the resource budget, are then removed, and the cash effects of various adjustments relating to working capital changes (stock, debtors and creditors) and changes in provisions are also reflected. An adjustment may also be required to identify any excess cash to be surrendered as CFERs, where a department would otherwise have a negative cash requirement.

20. The net effect of these changes results in the identification of the department's Net Cash Requirement, which is the amount of cash required from the Consolidated Fund in the year in question for the department to carry out its business as specified in the Ambit and is also subject to parliamentary control.

21. **Part III** of the Estimate shows the extra receipts payable to the Consolidated Fund. This seeks to notify Parliament of the department's forecast of surplus income not appropriated in aid and extra cash receipts to be paid directly to the Consolidated Fund and not retained by the department. Amounts are consequently shown both for forecast income and forecast cash receipts. Prior year data analysed by income and cash receipts are also shown.

**Other statements
and notes**

22. Resource Estimates are accompanied by a Forecast Operating Cost Statement, reflecting the format of the outturn Operating Cost Statement to be included in the departmental resource accounts. There are also two reconciliation tables; one showing the reconciliation of the resource Estimate, to the accounts and to budgets; and another showing the reconciliation of the capital Estimate and the budget. These tables will also include expenditure by, and income received in, the department, which is not voted by Parliament. The Estimates are accompanied by notes providing additional information to Parliament about the specific nature of the department's plans, details of grants in aid, changes in accounting policies, etc.

23. The Estimates and supporting statements and notes provide an explanation of the expenditure that the Government proposes to finance from funds made available by Parliament. As before, further information can be provided to Select Committees through their consideration of Estimates, or to the whole House through debates.

Contingent liabilities

24. The Notes to each Estimate include details, where appropriate, of any contingent liabilities in force, which, if they matured, would involve the voting of additional expenditure through the Estimate.

Appropriations in Aid 25. A Treasury Minute, as described in the Government Resources and Accounts Act 2000, has today been laid before Parliament directing that certain income specified in the Estimates may be applied as appropriations in aid of resources authorised by Parliament to be used for the service of the year ending 31 March 2009. The source of all types of income to be appropriated in aid is explained in an analysis in the form of a Note to each Estimate which provides a breakdown of forecast Appropriations in Aid (A in A) for 2008–09 and comparison with the two prior years. Each table distinguishes, where appropriate, between operating A in A and non-operating A in A (the latter mainly the proceeds from asset sales).

26. Each Note to the Estimate includes comprehensive A in A footnotes ordered so that resource A in A items are listed first followed by non-operating A in A items. Failure to include a relevant item in the footnote would mean that the income in question could not be applied as A in A.

Symbols 27. For convenience the symbols used throughout departmental Estimates are reproduced below.

Public Expenditure:

- Φ Income receipts which are classified as negative resource in DEL or negative DEL in respect of income from capital receipts including assets sales and which are, exceptionally, surrendered to the Consolidated Fund as extra receipts rather than taken on to the Estimate as appropriations in aid
- △ Income receipts which are classified as negative in Resource Budget: AME or negative AME in respect of income from capital receipts including asset sales and which are, exceptionally, surrendered direct to the Consolidated Fund as extra receipts rather than taken on to the Estimate as appropriations in aid
- Extra receipts which are classified as ‘Non-budget’ and are surrendered direct to the Consolidated Fund as extra receipts

Accounting and audit arrangements for grants in aid and certain subscriptions, etc, to international organisations:

- ♥ The accounts of this body are audited by the Comptroller and Auditor General and presented to Parliament
- ◆ The accounts of this body are audited by auditors appointed by the Secretary of State (or Ministers) and presented to Parliament. The books and accounts are also open to inspection by the Comptroller and Auditor General
- ♠ The accounts of this body are audited by auditors appointed by the Secretary of State (or Ministers) and presented to Parliament.

Publication date 28. The Government aims to present the Main Estimates shortly after the Budget, which normally takes place during March or early April each year.

Supplementary Budgetary Information 29. Alongside Main Estimates, the Treasury publishes a Supplementary Budgetary Information publication. This publication contains tables giving the important read-across between Estimates and departmental reports for each departmental Estimate.

Section 3.

Parliamentary Procedure

1. Parliament's consideration of the Supply Estimates is part of its Supply procedure, by which it approves the Government's requests for resources and cash. The process consists of a number of stages:

- (i) the Government requests certain provision;
- (ii) to support each request, information is provided about what resources and total cash will be required and who will be responsible for accounting for the provision;
- (iii) Parliament considers these requests, investigates some more fully and may choose to debate one or more of them;
- (iv) if Parliament votes in favour of the requests it passes an Act to authorise the resources and make cash available from the Consolidated Fund;
- (v) to enhance its control, Parliament gives legislative force to the Ambits of the Estimates which specify the purposes for which the provision may be spent; and
- (vi) after expenditure, both resources and cash, has been incurred it is audited and accounted for to check that the amounts and purposes approved by Parliament have not been exceeded.

2. This process extends over a period of more than two years, starting before the financial year in which expenditure is to be incurred and ending over twelve months after that year has ended. At any one time Parliament may be considering expenditure that relates to more than one financial year.

Supply Procedure

3. Under long-established constitutional practice it is for the Crown (the Government) to demand money, the House of Commons to grant it and the House of Lords to assent to the grant.

4. Parliament gives statutory authority for both the use of resources and for funds to be drawn from the Consolidated Fund (the Government's general bank account at the Bank of England) to meet most expenditure by government departments and certain related bodies by Acts of Parliament known as Consolidated Fund Acts and Appropriation Acts. Parliamentary procedure leading to the passing of these Acts is known as "Supply procedure". Specific provision is made available under the Acts only for a specified financial year (although an individual Act may authorise Supply for separate Estimates from different financial years).

Vote on Account

5. Because Parliament does not normally approve the Main Estimates until around the middle of July the process begins with the Votes on Account to provide provision for the early months of the financial year. These are normally presented to Parliament in the previous November, along with the winter Supplementary Estimates. In general they will seek for the coming financial year 45 per cent of the amounts, resources and cash, authorised to date in the current year.

- Main Estimates** 6. Around the turn of the new financial year the Treasury presents to Parliament the Main Estimates with supporting statements and notes. Part I of each Estimate forms the basis of a Supply Resolution, which is normally voted on by the House of Commons before the end of June. An Appropriation Bill is then brought in and passed before Parliament rises for the Summer Recess.
- Appropriation Acts** 7. The resulting Appropriation Act authorises departments to use resources and spend cash up to the amounts requested in the Main Supply Estimates as amended by any Revised Estimates, or added to by summer Supplementary Estimates. The Act not only gives parliamentary authority for total resources requested to be used and cash to be issued from the Consolidated Fund but also limits the way in which the resources can be used by prescribing how the overall sum is to be appropriated to particular RfRs in order to finance specified services.
8. Since 2004–05 there have been two Appropriation Acts per year. This year the first Act (the spring Appropriation Act) will have been presented in March 2008 appropriating the Supplementaries from 2007–08 and any Statement of Excesses for 2006–07. The second Act (the summer Appropriation Act) will be presented before the end of July, appropriating the Main Estimates 2008–09.
- Revised Estimates** 9. Revised Estimates may be presented to replace the original Estimate before the Supply Resolution is voted on. They either reduce the provision sought in the original Estimate, or vary the way in which it is to be allocated.
- Supplementary Estimates** 10. The Government may decide to ask Parliament for additional resources and/or cash during the year. Supplementary Supply Estimates, where necessary, are usually presented in June (summer), November (winter) and February (spring). Following any Estimates Day debates and the vote on the necessary Supply Resolution, formal statutory authority for extra funds is provided by an Appropriation Act in March (following presentation of Spring Supplementary Estimates and Statement of Excesses) covering winter and spring Supplementaries and appropriating Supply in respect of any Excess Votes relating to the previous year.
- Contingencies Fund** 11. There is also a cash-based Contingencies Fund, which may be used to finance urgent cash expenditure in anticipation of parliamentary approval of Estimates. Total advances outstanding at any one time must not exceed 2 per cent of the previous year's total cash Supply provision. Drawings on the Fund are repaid when Parliament has voted the additional cash (together with any associated resource consumption).
12. Supply Estimates are based upon both consumption of resources and cash and parliamentary control applies to both.
- Accounts and audit** 13. Provision is made within resources for commitments entered into but which may not mature for payment within the financial year. The net cash requirement provides for all payments, which are due within the financial year relating to continuing services whether or not they relate to consumption of resources within the year and takes account of the cash receipts associated with A in A income.
14. After the end of the financial year each department and public service pension scheme prepares a resource account comprising a set of schedules and statements, the most significant of which for parliamentary control of Estimates is the Statement of Parliamentary Supply, which compares outturn with estimate for both resource expenditure and the net cash requirement.
15. Each resource account is audited and a certificate and report on the account is produced by the Comptroller and Auditor General. The account and the Comptroller and Auditor General's certificate and report are then laid before the House of Commons in the winter following the end of the financial year to which they relate.

16. The accounting and audit arrangements for some expenditure including grants in aid and certain subscriptions to international organisations are different from those for most expenditure. These exceptions are indicated by a common set of symbols in all departmental Estimates where they apply (see Section 2).

17. Under the National Audit Act 1983 the Comptroller and Auditor General also carries out value for money studies of department's expenditure. The Public Accounts Committee's examination of departments in these studies substantially enhances the accountability provided through the resource accounts.

Excess Votes 18. If expenditure on any RfR or the net cash requirement for an Estimate exceeds the final voted provision for the year, the excess will appear in Schedule 1 of the department's resource account and will be reported to the Public Accounts Committee by the Comptroller and Auditor General. Subject to that report, the necessary provision is sought in an Excess Vote. The Treasury presents a Statement of Excesses to Parliament, usually in February of the following financial year, at the same time as spring Supplementary Estimates. Funds, either resources, cash or both, are then voted in March (i.e. 11 months after the end of the financial year to which they relate). They are then appropriated in the spring Appropriation Act.

19. Parliament's consideration of individual Estimates is primarily a task for select committees concerned with the activities and expenditure of particular departments. When examining individual Main or Supplementary Estimates, a committee may decide to ask the department for more information about some aspects and examine Ministers and officials about particular areas of expenditure. A committee's conclusions often take the form of a report, which is printed by the House.

Parliamentary debate 20. The House of Commons has the opportunity to debate and vote on individual Estimates on three Estimates Days in each parliamentary session. When this happens the debate is generally informed by a report from the relevant select committee. The time available in Estimates Days is allocated on the advice of the Liaison Committee whose membership includes the chairmen of the departmental select committees. In addition the Government may make some extra time available for debates on special Supplementary Estimates.

21. Proceedings on Consolidated Fund Bills are formal, i.e. not open to debate.

Parliamentary Timetable 22. As already stated since 2004–05 there have been two Appropriation Bills per session (prior to this there had been only one Appropriation Bill per session): one in March, following spring Supplementary Estimates, and one in July following Main (and any summer Supplementary and Revised Estimates). Given the additional time that is necessary to produce an Appropriation Bill following the spring Supplementary Estimates Standing Order No. 55 of the House of Commons was amended to extend the time that must elapse between presentation of the Estimates and the ensuing vote to authorise spending from 7 clear days to 14 days.

23. The Government aims to give Select Committees advance proof copies of Supplementary Estimates ahead of presentation, although this may not always be possible. In practice, some 2-4 weeks are usually available for select committees to examine Supplementaries on the occasions when they are presented. This period is necessarily shorter if there are any late or Revised Supplementaries.

24. Parliament’s consideration of Estimates is therefore generally concentrated in three periods:

- (i) April-July for Main Estimates and June-July for summer Supplementaries and Revised Estimates, including any Estimates Day debates, followed by the Summer Appropriation Act;
- (ii) November-December for winter Supplementaries, the Vote on Account and any associated debates, followed by a Consolidated Fund Act;
- (iii) February-March for spring Supplementaries and any associated debates, also followed by the Spring Appropriation Act.

**Consolidated Fund
standing services**

25. Parliament has passed statutes that authorise certain expenditure to be charged to the Consolidated Fund and not be subject to the annual Supply procedure. These “Consolidated Fund standing services” include payments to the National Loans Fund to service the National Debt, most payments to the European Communities, Her Majesty’s Civil List and the salaries and pensions of certain people who are constitutionally independent of the Executive. These include the Speaker of the House of Commons, the Comptroller and Auditor General, United Kingdom members of the European Parliament and the judiciary.

26. Where appropriate Consolidated Fund standing services are included within departmental resource accounts and budgets and are subject to the public expenditure controls described in **Section 2**.

Section 4.

Summary of Supply Estimates

1. Table 2 summarises the 2008–09 Main Supply Estimates presented to Parliament. It shows the net resources for each RfR and the net cash requirements sought for each Estimate in 2008–09, the total provision and forecast outturn based upon resource accounts for 2007–08 and the outturn on an equivalent basis for 2006–07.

Table 2 Supply Estimates by department and request for resources

| | £'000 | | | |
|--|-------------------|-------------------|---------------------|-------------------|
| | 2008-09 | 2007-08† | 2006-07 | |
| | Provision | Provision | Forecast outturn | Outturn |
| Department for Children, Schools and Families | | | | |
| RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills | 49,807,148 | 47,677,182 | 47,287,118 | 43,397,952 |
| RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare | 1,587,887 | 1,817,546 | 1,791,774 | 1,364,018 |
| RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund | - | 125,044 | 123,234 | 142,947 |
| Net resource requirement‡ | 51,395,035 | 49,619,772 | 49,202,126 | 44,904,917 |
| Net cash requirement | 51,448,517 | 49,622,751 | 49,312,431 | 45,077,646 |
| Teachers' Pension Scheme (England & Wales) | | | | |
| RfR 1: Teachers' pensions | 11,137,785 | 10,706,436 | 10,704,763 | 8,658,435 |
| Net resource requirement‡ | 11,137,785 | 10,706,436 | 10,704,763 | 8,658,435 |
| Net cash requirement | 1,768,189 | 1,583,646 | 1,535,117 | 1,264,127 |
| Office for Standards in Education, Children's Services and Skills | | | | |
| RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting | 171,699 | 220,809 | 216,092 | 204,433 |
| Net resource requirement‡ | 171,699 | 220,809 | 216,092 | 204,433 |
| Net cash requirement | 178,930 | 227,091 | 215,881 | 209,728 |
| Department of Health | | | | |
| RfR 1: Securing health care for those who need it. | 72,426,666 | 70,167,580 | 69,564,581 | 61,003,368 |
| RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health | 3,092,591 | 3,659,945 | 3,660,212 | 3,300,548 |
| RfR 3: Office of the Independent Regulator for NHS Foundation Trusts | 15,674 | 14,007 | 14,007 | 12,324 |
| Net resource requirement‡ | 75,534,931 | 73,841,532 | 73,238,800 | 64,316,240 |
| Net cash requirement | 74,387,705 | 71,080,010 | 69,516,732 | 64,368,703 |
| National Health Service Pension Scheme | | | | |
| RfR 1: National Health Service Pension Scheme | 14,071,096 | 14,304,784 | 14,022,055 | 10,226,125 |
| Net resource requirement‡ | 14,071,096 | 14,304,784 | 14,022,055 | 10,226,125 |
| Net cash requirement | 1 | 1 | 1 | - |
| Food Standards Agency | | | | |
| RfR 1: Protecting and promoting public health in relation to food | 137,088 | 152,392 | 148,881 | 142,942 |
| Net resource requirement‡ | 137,088 | 152,392 | 148,881 | 142,942 |
| Net cash requirement | 135,680 | 160,531 | 153,967 | 133,188 |
| Department for Transport | | | | |
| RfR 1: Transport that works for everyone | 15,149,773 | 16,678,263 | 14,712,469 | 13,711,159 |
| Net resource requirement‡ | 15,149,773 | 16,678,263 | 14,712,469 | 13,711,159 |
| Net cash requirement | 12,275,144 | 13,674,279 | 11,914,490 | 11,659,193 |
| Office of Rail Regulation | | | | |
| RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation | 2 | 2 | 2 | 299 |
| Net resource requirement‡ | 2 | 2 | 2 | 299 |
| Net cash requirement | 319 | 4,796 | 1 | 934 |
| Department for Innovation, Universities and Skills | | | | |

Table 2 Supply Estimates by department and request for resources

| | £'000 | | | |
|--|-------------------|-------------------|---------------------|-------------------|
| | 2008-09 | 2007-08† | 2006-07 | |
| | Provision | Provision | Forecast outturn | Outturn |
| RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation. | 14,693,465 | 14,535,587 | 14,312,943 | 12,529,457 |
| RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society. | 3,802,181 | 3,413,066 | 3,107,608 | 2,918,683 |
| Net resource requirement‡ | 18,495,646 | 17,948,653 | 17,420,551 | 15,448,140 |
| Net cash requirement | 21,003,978 | 19,436,228 | 19,738,624 | 17,318,514 |
| Department for Communities and Local Government | | | | |
| RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions | 11,171,462 | 11,273,359 | 10,687,368 | 9,271,107 |
| RfR 2: Providing for effective devolved decision making within a national framework | 25,171,097 | 23,814,158 | 23,664,966 | 23,725,508 |
| Net resource requirement‡ | 36,342,559 | 35,087,517 | 34,352,334 | 32,996,615 |
| Net cash requirement | 36,364,731 | 35,429,552 | 34,391,929 | 32,995,642 |
| Home Office | | | | |
| RfR 1: Working together to protect the public | 10,122,109 | 9,741,997 | 9,632,788 | 8,891,691 |
| Net resource requirement‡ | 10,122,109 | 9,741,997 | 9,632,788 | 8,891,691 |
| Net cash requirement | 10,303,129 | 9,823,212 | 9,757,917 | 8,943,506 |
| Charity Commission | | | | |
| RfR 1: Giving the public confidence in the integrity of charity | 30,971 | 34,343 | 29,202 | 30,955 |
| Net resource requirement‡ | 30,971 | 34,343 | 29,202 | 30,955 |
| Net cash requirement | 30,521 | 31,832 | 29,683 | 30,226 |
| Ministry of Justice | | | | |
| RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all | 9,049,089 | 9,552,676 | 8,304,982 | 8,387,545 |
| RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government | 24,704,413 | 25,017,459 | 25,017,159 | 21,757,912 |
| RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales | 12,176,475 | 11,993,552 | 11,993,692 | 13,947,768 |
| Net resource requirement‡ | 45,929,977 | 46,563,687 | 45,315,833 | 44,093,225 |
| Net cash requirement | 45,831,356 | 46,810,925 | 45,478,997 | 43,981,558 |
| Ministry of Justice: Judicial Pensions Scheme | | | | |
| RfR 1: Judicial Pensions Scheme | 62,949 | 43,036 | 39,539 | 34,373 |
| Net resource requirement‡ | 62,949 | 43,036 | 39,539 | 34,373 |
| Net cash requirement | 1 | 1 | 1 | 1 |
| Northern Ireland Court Service | | | | |
| RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland | 125,513 | 140,884 | 133,828 | 128,946 |
| Net resource requirement‡ | 125,513 | 140,884 | 133,828 | 128,946 |
| Net cash requirement | 117,562 | 132,129 | 120,500 | 115,058 |
| The National Archives | | | | |
| RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government | 46,600 | 44,940 | 43,232 | 38,241 |
| Net resource requirement‡ | 46,600 | 44,940 | 43,232 | 38,241 |
| Net cash requirement | 39,949 | 41,197 | 39,549 | 32,413 |

Table 2 Supply Estimates by department and request for resources

| | £'000 | | | |
|--|-------------------|-------------------|---------------------|-------------------|
| | 2008-09 | 2007-08† | | 2006-07 |
| | Provision | Provision | Forecast outturn | Outturn |
| Crown Prosecution Service | | | | |
| RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions | 629,798 | 648,432 | 637,302 | 616,929 |
| Net resource requirement‡ | 629,798 | 648,432 | 637,302 | 616,929 |
| Net cash requirement | 628,295 | 648,968 | 624,265 | 622,052 |
| Serious Fraud Office | | | | |
| RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law | 39,049 | 51,114 | 51,114 | 40,678 |
| Net resource requirement‡ | 39,049 | 51,114 | 51,114 | 40,678 |
| Net cash requirement | 40,890 | 56,870 | 55,025 | 41,695 |
| HM Procurator General and Treasury Solicitor | | | | |
| RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies | 13,972 | 16,416 | 16,416 | 9,439 |
| Net resource requirement‡ | 13,972 | 16,416 | 16,416 | 9,439 |
| Net cash requirement | 15,631 | 18,154 | 17,606 | 12,838 |
| Revenue and Customs Prosecutions Office | | | | |
| RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors | 36,397 | 38,909 | 34,381 | 32,398 |
| Net resource requirement‡ | 36,397 | 38,909 | 34,381 | 32,398 |
| Net cash requirement | 36,397 | 40,109 | 36,181 | 41,975 |
| Ministry of Defence | | | | |
| RfR 1: Provision of defence capability | 33,421,295 | 33,901,860 | 34,383,890 | 31,386,645 |
| RfR 2: Operations and Peace-Keeping | 89,566 | 2,381,803 | 2,380,779 | 1,448,420 |
| RfR 3: War Pensions and Allowances, etc | 1,015,090 | 1,030,007 | 1,028,779 | 1,038,073 |
| Net resource requirement‡ | 34,525,951 | 37,313,670 | 37,793,448 | 33,873,138 |
| Net cash requirement | 32,536,048 | 34,147,714 | 34,023,202 | 31,616,135 |
| Armed Forces retired pay, pensions etc | | | | |
| RfR 1: Armed Forces retired pay, pensions etc | 5,869,365 | 5,595,638 | 5,368,662 | 4,398,961 |
| Net resource requirement‡ | 5,869,365 | 5,595,638 | 5,368,662 | 4,398,961 |
| Net cash requirement | 1,812,960 | 1,839,057 | 1,810,359 | 1,671,968 |
| Foreign and Commonwealth Office | | | | |
| RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community | 1,689,093 | 1,704,963 | 1,612,200 | 1,581,934 |
| RfR 2: Conflict prevention | 235,606 | 372,462 | 416,400 | 345,580 |
| Net resource requirement‡ | 1,924,699 | 2,077,425 | 2,028,600 | 1,927,514 |
| Net cash requirement | 1,876,705 | 2,072,052 | 2,065,846 | 1,858,285 |
| Department for International Development | | | | |
| RfR 1: Eliminating poverty in poorer countries | 5,133,072 | 4,607,344 | 4,607,344 | 4,687,216 |
| RfR 2: Conflict prevention | 39,207 | 51,065 | 50,814 | 32,989 |
| Net resource requirement‡ | 5,172,279 | 4,658,409 | 4,658,158 | 4,720,205 |
| Net cash requirement | 4,812,309 | 4,500,367 | 4,545,137 | 4,083,801 |
| Department for International Development: Overseas Superannuation | | | | |
| RfR 1: Overseas superannuation | 66,048 | 59,043 | 57,643 | 65,785 |
| Net resource requirement‡ | 66,048 | 59,043 | 57,643 | 65,785 |
| Net cash requirement | 110,996 | 114,503 | 114,503 | 113,119 |
| Department for Business, Enterprise and Regulatory Reform | | | | |
| RfR 1: Increasing UK competitiveness | 3,389,422 | 4,312,178 | 4,017,138 | 2,681,453 |
| Net resource requirement‡ | 3,389,422 | 4,312,178 | 4,017,138 | 2,681,453 |
| Net cash requirement | 3,905,188 | 6,040,512 | 5,384,303 | 3,997,822 |
| UK Trade & Investment | | | | |

Table 2 Supply Estimates by department and request for resources

| | £'000 | | | |
|--|------------------|------------------|-----------------------------|------------------|
| | 2008-09 | 2007-08† | 2006-07 | |
| | Provision | Provision | Forecast outturn | Outturn |
| RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment | 91,526 | 90,656 | 88,320 | 98,005 |
| Net resource requirement‡ | 91,526 | 90,656 | 88,320 | 98,005 |
| Net cash requirement | 92,266 | 100,563 | 88,297 | 98,074 |
| Department for Business, Enterprise and Regulatory Reform: UKAEA pension schemes | | | | |
| RfR 1: Effective management of UKAEA pension schemes | 267,343 | 288,884 | 288,883 | 245,557 |
| Net resource requirement‡ | 267,343 | 288,884 | 288,883 | 245,557 |
| Net cash requirement | 112,000 | 68,236 | 68,235 | 69,366 |
| Export Credits Guarantee Department | | | | |
| RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports | 42,904 | 69,102 | 69,102 | 71,642 |
| RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports | 1 | 2 | 1 | 1 |
| Net resource requirement‡ | 42,905 | 69,104 | 69,103 | 71,643 |
| Net cash requirement | 1 | 2 | 1 | 1 |
| Office of Fair Trading | | | | |
| RfR 1: Advancing and safeguarding the economic interests of UK consumers | 67,702 | 75,994 | 73,097 | 74,525 |
| Net resource requirement‡ | 67,702 | 75,994 | 73,097 | 74,525 |
| Net cash requirement | 66,393 | 74,496 | 72,242 | 73,705 |
| Office of Gas and Electricity Markets | | | | |
| RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes. | 701 | 703 | 703 | 646 |
| Net resource requirement‡ | 701 | 703 | 703 | 646 |
| Net cash requirement | 1,556 | 1,849 | 39 | 4,921 |
| Postal Services Commission | | | | |
| RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition | 1 | 1 | 1 | 1 |
| Net resource requirement‡ | 1 | 1 | 1 | 1 |
| Net cash requirement | 1 | 1,518 | 1,000 | - |
| Department for Environment, Food and Rural Affairs | | | | |
| RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible | 5,525,539 | 5,884,853 | 5,487,008 | 5,684,462 |
| RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain | 71,648 | 90,369 | 87,196 | 70,097 |
| Net resource requirement‡ | 5,597,187 | 5,975,222 | 5,574,204 | 5,754,559 |
| Net cash requirement | 5,548,867 | 5,931,904 | 5,511,659 | 6,186,310 |
| Water Services Regulation Authority | | | | |
| RfR 1: Regulation of the Water Industry | 48 | 174 | 48 | 39 |
| Net resource requirement‡ | 48 | 174 | 48 | 39 |
| Net cash requirement | 609 | 1,428 | 377 | 292 |
| Department for Culture, Media and Sport | | | | |
| RfR 1: Improving the quality of life through cultural and sporting activities | 2,303,030 | 1,919,126 | 1,880,725 | 1,652,693 |

Table 2 Supply Estimates by department and request for resources

| | £'000 | | | |
|--|-------------------|-------------------|---------------------|-------------------|
| | 2008-09 | 2007-08† | 2006-07 | |
| | Provision | Provision | Forecast outturn | Outturn |
| RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities | 2,971,400 | 2,856,110 | 2,857,204 | 2,739,006 |
| Net resource requirement‡ | 5,274,430 | 4,775,236 | 4,737,929 | 4,391,699 |
| Net cash requirement | 5,265,269 | 4,779,469 | 4,728,025 | 4,387,563 |
| Department for Work and Pensions | | | | |
| RfR 1: Ensuring the best start for all children and ending child poverty in 20 years | 430,520 | 554,470 | 529,801 | 492,283 |
| RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need | 38,636,774 | 38,681,095 | 37,865,770 | 36,926,211 |
| RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners | 11,457,479 | 15,875,685 | 15,674,127 | 11,023,647 |
| RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society | 17,113,572 | 16,450,094 | 16,123,486 | 15,029,111 |
| RfR 5: Corporate contracts and support services | 763,985 | 826,886 | 733,216 | 750,201 |
| Net resource requirement‡ | 68,402,330 | 72,388,230 | 70,926,400 | 64,221,453 |
| Net cash requirement | 68,626,283 | 68,466,808 | 66,479,870 | 62,852,024 |
| Government Equalities Office | | | | |
| RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential. | 85,005 | 109,233 | 94,499 | 59,417 |
| Net resource requirement‡ | 85,005 | 109,233 | 94,499 | 59,417 |
| Net cash requirement | 85,005 | 109,233 | 94,499 | 59,417 |
| Northern Ireland Office | | | | |
| RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending | 1,206,634 | 1,308,007 | 1,277,386 | 1,237,551 |
| RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000. | 10,278,001 | 10,334,001 | 10,334,001 | 9,517,500 |
| Net resource requirement‡ | 11,484,635 | 11,642,008 | 11,611,387 | 10,755,051 |
| Net cash requirement | 11,502,899 | 11,656,450 | 11,561,198 | 10,772,149 |
| HM Treasury | | | | |
| RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all | 236,130 | 237,257 | 235,541 | 217,364 |
| RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage | 53,050 | 55,074 | 51,106 | 44,153 |
| RfR 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis | 25,758 | 35,629 | 34,117 | 32,588 |
| Net resource requirement‡ | 314,938 | 327,960 | 320,764 | 294,105 |
| Net cash requirement | 14,220,713 | 255,068 | 239,888 | 207,462 |
| HM Revenue and Customs | | | | |
| RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements | 4,075,046 | 4,367,263 | 4,258,728 | 4,530,871 |
| RfR 2: Growing a contribution to the good management of property where the public interest is involved | 1 | 1 | -28,708 | - |
| RfR 3: Providing payments in lieu of tax relief to certain bodies | 144,000 | 86,000 | 86,000 | 80,457 |
| RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies | 31,900 | 38,386 | 31,953 | 29,190 |
| RfR 5: Payments of Child Benefit and Child Trust Fund endowments | 11,240,000 | 10,890,000 | 10,890,000 | 10,371,914 |
| Net resource requirement‡ | 15,490,947 | 15,381,650 | 15,237,973 | 15,012,432 |
| Net cash requirement | 15,434,277 | 15,593,186 | 15,322,512 | 15,209,611 |
| National Savings and Investments | | | | |

Table 2 Supply Estimates by department and request for resources

| | £'000 | | | |
|---|------------------|------------------|---------------------|------------------|
| | 2008-09 | 2007-08† | 2006-07 | |
| | Provision | Provision | Forecast outturn | Outturn |
| RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future | 161,153 | 170,294 | 161,029 | 168,615 |
| Net resource requirement‡ | 161,153 | 170,294 | 161,029 | 168,615 |
| Net cash requirement | 158,634 | 167,672 | 180,922 | 156,949 |
| The Statistics Board | | | | |
| RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good | 210,060 | 175,176 | 182,299 | 196,754 |
| Net resource requirement‡ | 210,060 | 175,176 | 182,299 | 196,754 |
| Net cash requirement | 210,560 | 179,088 | 167,305 | 171,407 |
| Government Actuary's Department | | | | |
| RfR 1: Providing an actuarial consultancy service | 603 | 840 | 803 | 396 |
| Net resource requirement‡ | 603 | 840 | 803 | 396 |
| Net cash requirement | 279 | 508 | 405 | - |
| Crown Estate Office | | | | |
| RfR 1: To maintain and enhance the value of The Crown Estate and the return obtained from it | 2,365 | 2,365 | 2,357 | 2,257 |
| Net resource requirement‡ | 2,365 | 2,365 | 2,357 | 2,257 |
| Net cash requirement | 2,357 | 2,357 | 2,349 | 2,249 |
| Cabinet Office | | | | |
| RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives | 380,015 | 388,998 | 326,323 | 309,474 |
| Net resource requirement‡ | 380,015 | 388,998 | 326,323 | 309,474 |
| Net cash requirement | 342,483 | 374,161 | 351,275 | 276,775 |
| Security and Intelligence Agencies | | | | |
| RfR 1: Protecting and promoting the national security and economic well being of the UK | 1,714,400 | 1,551,473 | 1,492,274 | 1,403,488 |
| Net resource requirement‡ | 1,714,400 | 1,551,473 | 1,492,274 | 1,403,488 |
| Net cash requirement | 1,729,786 | 1,652,869 | 1,646,196 | 1,415,704 |
| Cabinet Office: Civil superannuation | | | | |
| RfR 1: Civil superannuation | 7,204,000 | 7,616,001 | 7,606,001 | 6,043,267 |
| Net resource requirement‡ | 7,204,000 | 7,616,001 | 7,606,001 | 6,043,267 |
| Net cash requirement | 1,100,000 | 950,000 | 777,030 | 649,540 |
| National School of Government | | | | |
| RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government | 405 | 1,217 | 1,217 | 1,274 |
| Net resource requirement‡ | 405 | 1,217 | 1,217 | 1,274 |
| Net cash requirement | 335 | 1,347 | 1,347 | 976 |
| Central Office of Information | | | | |
| RfR 1: Achieving maximum communication effectiveness with best value for money | 708 | 716 | 716 | 698 |
| Net resource requirement‡ | 708 | 716 | 716 | 698 |
| Net cash requirement | 692 | 709 | 709 | 684 |
| Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England | | | | |
| RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England | 24,026 | 24,426 | 24,170 | 22,674 |
| Net resource requirement‡ | 24,026 | 24,426 | 24,170 | 22,674 |
| Net cash requirement | 24,126 | 24,941 | 23,361 | 27,246 |
| House of Lords | | | | |
| RfR 1: Members' expenses and administration, etc. | 110,838 | 127,674 | 113,806 | 99,696 |
| Net resource requirement‡ | 110,838 | 127,674 | 113,806 | 99,696 |

Table 2 Supply Estimates by department and request for resources

| | £'000 | | | |
|--|--------------------|--------------------|-----------------------------|--------------------|
| | 2008-09 | 2007-08† | 2006-07 | |
| | Provision | Provision | Forecast outturn | Outturn |
| Net cash requirement | 86,720 | 111,334 | 103,617 | 77,582 |
| House of Commons: Members | | | | |
| RfR 1: Members' salaries, allowances and other costs | 176,800 | 169,610 | 169,610 | 145,800 |
| Net resource requirement‡ | 176,800 | 169,610 | 169,610 | 145,800 |
| Net cash requirement | 175,300 | 170,658 | 170,660 | 148,303 |
| Total net resource requirement‡ (Supply Estimates presented by HM Treasury) | 447,525,784 | 451,254,126 | 442,979,273 | 401,566,761 |
| Total net cash requirement (Supply Estimates presented by HM Treasury) | 424,448,542 | 408,212,341 | 398,475,265 | 373,038,437 |
| House of Commons: Administration | | | | |
| RfR 1: House of Commons: Administration | 239,989 | 236,942 | 242,942 | 209,306 |
| RfR 2: Grants to Other Bodies | 4,011 | 1,358 | 1,358 | 1,302 |
| Net resource requirement‡ | 244,000 | 238,300 | 244,300 | 210,608 |
| Net cash requirement | 191,700 | 173,300 | 173,300 | 157,158 |
| National Audit Office | | | | |
| RfR 1: Providing independent assurance to Parliament and other organisations on the management of public resources | 107,700 | 90,444 | 90,444 | 71,159 |
| Net resource requirement‡ | 107,700 | 90,444 | 90,444 | 71,159 |
| Net cash requirement | 121,250 | 89,984 | 89,984 | 70,985 |
| Electoral Commission | | | | |
| RfR 1: Electoral Commission | 25,185 | 23,995 | 23,995 | 22,316 |
| Net resource requirement‡ | 25,185 | 23,995 | 23,995 | 22,316 |
| Net cash requirement | 25,110 | 24,095 | 24,195 | 21,637 |
| Total net resource requirement‡ (Supply Estimates presented elsewhere) | 376,885 | 352,739 | 358,739 | 304,083 |
| Total net cash requirement (Supply Estimates presented elsewhere) | 338,060 | 287,379 | 287,479 | 249,780 |
| Grand Total net resource requirement‡ | 447,902,669 | 451,606,865 | 443,338,012 | 401,870,844 |
| Grand Total net cash requirement | 424,786,602 | 408,499,720 | 398,762,744 | 373,288,217 |

† Figures for 2006-07 and 2007-08 are the best available estimates of the outturn and provision in those years adjusted for transfer, classification and machinery of government changes to reflect the 2008-09 Estimate structure

‡ Total resources net of operating appropriations in aid

Department for Children, Schools and Families

Introduction

1. This Estimate provides for expenditure by the Department for Children, Schools and Families and the Sure Start Unit in pursuit of the functions reflected in the section headings. It also provides for administrative expenditure used in implementing and evaluating policy and on central services.

2. More details about the expenditure supporting the department's objectives will be set out in the departmental report which will be published in May.

3. The Sure Start Unit is a cross-departmental programme to support the development of young children and their families through Sure Start programmes, Childcare and Early Years initiatives. It has its own Public Service Agreement and the Ministers responsible for this Public Service Agreement are the Secretary of State for Work and Pensions and the Secretary of State for Children, Schools and Families as responsible Cabinet Ministers.

4. Symbols are explained in the Introduction to this booklet.

Department for Children, Schools and Families

Part I

| | £ |
|--|-----------------------|
| Request for Resources 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills | 49,807,148,000 |
| Request for Resources 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare | 1,587,887,000 |
| Total net resource requirement | 51,395,035,000 |
| Net cash requirement | 51,448,517,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Department for Children, Schools and Families on:

RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills†

loans to voluntary aided schools; provision relating to former grant-maintained schools; the Assisted Places Scheme; music and dance schools; support for the Academy of Gifted and Talented Youth; City Technology Colleges; support for Academies; the school curriculum and its assessment; modernising the teaching profession and other educational services and initiatives; initiatives to write-off student loans to teachers in England and Wales; class size reductions; school and local education authority intervention; specialist schools; excellence in cities and other specific grants to local authorities including those through the Standards Fund; Dedicated School Grants; grants in aid to the National College for School Leadership, the Training and Development Agency for Schools, the British Educational Communications and Technology Agency, the Schools Food Trust, the Qualifications and Curriculum Authority and the Partnerships for Schools; support for the Centre for Information Learning Technology; support for Teachers TV; capital grants to schools including those through the Standards Fund; the Youth Service including the Youth Task Force and the Respect Agenda; careers guidance and services including through the Connexions Service including working capital grants and loans for capital purchases; education provision and initiatives,

capital grants to music, dance and other schools; payments for education in prisons and other custodial institutions; education maintenance allowances; the provision of training and assessment programmes for young people; initiatives to improve education, training and qualifications arrangements and access to these; payments to the Department of Innovation, Universities and Skills to support 14-19 programmes; Millennium Volunteers; payments to the Home Office to support the Criminal Records Bureau; payments and grants to support personal and children's social services, and initiatives relating to teenage pregnancy, hospital and community health services;

payments for implementing the Aiming High programme children's secure accommodation and family policy; family parenting and law grants; Grants in Aid to the Children and Family Court Advisory and Support Service, the Children's Workforce Development Council and the Children's Commissioner; payments and grants to support parenting and parenting organisations; children's workforce and development; grants to support Strengthening Families, Marriages and Relationships; payments for Child Trust Fund top ups, including through the Devolved Administrations; payments to support and develop vetting and barring; payments to the Department for Communities and Local Government to support Area Based Grants; investments and loans to support PFI; payments to the Department for Business Enterprise and Regulatory Reform in connection with the Regional Development Agencies and the London Development Agency; loans and residual costs of the winding up of the Training and Enterprise Councils (TECs); the distribution of residual TEC assets, returned to the Secretary of State under the terms of the TEC Licence, to local voluntary, community and business support organisations; grant in aid, grants and working capital loans to the General Teaching Council; the Department's own administration and research and payments for the administration of teachers' pensions; information and publicity services; departmental restructuring costs; initiatives and programmes supported by the European Union, the Capital Modernisation Fund and with other Government Department's under the Invest to Save Budget; compensation payments to teachers and staff of certain institutions and teachers' medical fees; and associated non-cash items.

RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare

promoting the physical, intellectual and social development of babies and young children; childcare initiatives including quality assurance arrangements, children's centres; the education of under-fives; supporting families and communities; evaluating the programme; Grant in Aid to the Children's Workforce Development Council; Sure Start payments to the Department for Communities and Local Government to support Local Area Agreements; the administration of the Sure Start Unit; and associated non-cash items.

The **Department for Children, Schools and Families** will account for this Estimate.

£

| | Net total | Allocated in Vote on Account† | Balance to complete |
|---------------------------------------|-----------------------|-------------------------------------|------------------------|
| RfR 1 | 49,807,148,000 | 21,443,786,000 | 28,363,362,000 |
| RfR 2 | 1,587,887,000 | 791,720,000 | 796,167,000 |
| Total net resource requirement | 51,395,035,000 | 22,235,506,000 | 29,159,529,000 |
| Net cash requirement | 51,448,517,000 | 22,034,989,000 | 29,413,528,000 |

† In the Vote on Account £85,845,000 was included against RfR3 described as " Tackling child poverty and social exclusion by helping vulnerable children, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund". RfR3 has been removed in the Main Estimate and the provision has been reallocated to RfR1.

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|--|---|------------|-------------|--------|------------|------------------------------|----------------------|------------------------|------------------------|-------|--|
| 2008-09 Provision | | | | | | | 2007-08 Provision | 2006-07 Outturn | | | |
| Resources | | | | | | Capital Non- operating | | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills | | | | | | | | | | | |
| 191,500 | 186,280 | 49,431,103 | 49,808,883 | 1,735 | 49,807,148 | 20,300 | - | 47,677,182 | 43,397,952 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Activities to Support all Functions | | | | | | | | | | |
| 191,500 | 28,671 | 994 | 221,165 | 1,735 | 219,430 | 11,600 | - | 312,728 | 234,956 | | |
| B | Support for Schools and Teachers not through Local Education Authorities | | | | | | | | | | |
| - | 9,100 | 2,080,030 | 2,089,130 | - | 2,089,130 | 8,700 | - | 1,721,584 | 1,228,201 | | |
| C | Support for Children and Families not paid through Local Authorities | | | | | | | | | | |
| - | 141,821 | 339,048 | 480,869 | - | 480,869 | - | - | 405,853 | 652,899 | | |
| D | Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes | | | | | | | | | | |
| - | 6,688 | 7,583,203 | 7,589,891 | - | 7,589,891 | - | - | 7,232,838 | 6,775,230 | | |
| E | Compensation to Former College of Education Staff | | | | | | | | | | |
| - | - | 11,798 | 11,798 | - | 11,798 | - | - | 11,685 | 11,307 | | |
| <i>Current Grants for Local Area Agreements to Support Children and Families</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 687,531 | 146,383 | | |
| Support for Local Authorities | | | | | | | | | | | |
| F | Current Grants for Local Education Authorities to Support Schools and Teachers | | | | | | | | | | |
| - | - | 3,699,955 | 3,699,955 | - | 3,699,955 | - | - | 4,298,872 | 4,172,298 | | |
| G | Capital Grants for Local Education Authorities to Support Schools | | | | | | | | | | |
| - | - | 3,835,300 | 3,835,300 | - | 3,835,300 | - | - | 3,338,294 | 2,207,924 | | |
| H | Current Grants to Local Authorities to support Children and Families | | | | | | | | | | |
| - | - | 161,615 | 161,615 | - | 161,615 | - | - | 356,637 | 228,752 | | |
| I | Capital Grants to Local Authorities to support Children and Families | | | | | | | | | | |
| - | - | 44,528 | 44,528 | - | 44,528 | - | - | 62,267 | 49,562 | | |
| J | Dedicated School Grants | | | | | | | | | | |
| - | - | 29,563,294 | 29,563,294 | - | 29,563,294 | - | - | 28,049,915 | 26,576,336 | | |
| K | Area Based Grants | | | | | | | | | | |
| - | - | 1,167,637 | 1,167,637 | - | 1,167,637 | - | - | - | - | | |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|--|-----------|-------------|-----------|-----------|------------------------------|--------------------|-----------|-----------|--------|--|
| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | | | |
| Resources | | | | | | Capital Non- operating | | Net Total | Net Total | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| <i>Activities to Support All Functions (AME)</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 12,000 | - | | |
| Non-Budget | | | | | | | | | | | |
| L | Grant in Aid to NDPBs supporting Schools | - | 699,676 | 699,676 | - | 699,676 | - | 931,738 | 840,595 | | |
| M | Grant in Aid to NDPBs supporting Children and Families | - | 115,568 | 115,568 | - | 115,568 | - | 106,631 | 107,735 | | |
| N | Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills and Lifelong Learning | - | 128,457 | 128,457 | - | 128,457 | - | 148,609 | 165,774 | | |
| RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare | | | | | | | | | | | |
| - | 39,359 | 1,548,528 | 1,587,887 | - | 1,587,887 | - | - | 1,817,546 | 1,364,018 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Sure Start Current grants not through Local Authorities | - | 39,359 | 37,100 | 76,459 | - | 76,459 | - | 83,773 | 35,343 | |
| B | Sure Start Schools Current Grants not through Local Authorities | - | - | 14,630 | 14,630 | - | 14,630 | - | 28,933 | 17,697 | |
| <i>Sure Start Current Grants for Local Area Agreements</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 180,103 | 207,326 | | |
| Support for Local Authorities | | | | | | | | | | | |
| C | LA Current Grants | - | 1,201,773 | 1,201,773 | - | 1,201,773 | - | 915,712 | 817,066 | | |
| D | LA Capital Grants | - | 295,025 | 295,025 | - | 295,025 | - | 609,025 | 286,586 | | |
| RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 125,044 | 142,947 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|--------------------------------------|------------------|------------|-------------|--------|------------|------------------------------|--------|------------|------------|----------------------|--------------------|
| 2008-09 Provision | | | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
| Resources | | | | | | Capital Non- operating | | Net Total | Net Total | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| <i>Children's Fund</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 43,196 | 39,423 | | |
| <i>Support for Local Authorities</i> | | | | | | | | | | | |
| <i>LA Current Grants</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 81,848 | 103,524 | | |
| Total for Estimate: | | | | | | | | | | | |
| 191,500 | 225,639 | 50,979,631 | 51,396,770 | 1,735 | 51,395,035 | 20,300 | - | 49,619,772 | 44,904,917 | | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 51,395,035 | 49,619,772 | 44,904,917 |
| Voted capital items | | | |
| Capital | 20,300 | 10,170 | 13,894 |
| Less Non-operating A-in-A | - | 575 | 110 |
| Total net voted capital | 20,300 | 9,595 | 13,784 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | 6,838 | -4,093 | 6,179 |
| Depreciation | -7,932 | -23,591 | -12,127 |
| New provisions and adjustments to previous provisions | -922 | -11,962 | -20,061 |
| Profit/loss on sale of assets | - | - | -59 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -450 | -450 | -300 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | 7,226 | 50,925 |
| Increase (-) / Decrease (+) in creditors | - | -17,394 | 116,009 |
| Use of provisions | 35,648 | 43,648 | 18,379 |
| Total accruals to cash adjustments | 33,182 | -6,616 | 158,945 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 51,448,517 | 49,622,751 | 45,077,646 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------------------|------------------------|------------------------------|------------------------|----------------------------|------------------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | 2,739 | 2,925 |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | - | - | 2,739 | 2,925 |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 189,900 | 195,777 | 195,578 |
| RfR 2 | - | - | - |
| RfR 3 | - | - | - |
| Total Net Administration costs | 189,900 | 195,777 | 195,578 |
| Net Programme Costs | | | |
| RfR 1 | 49,617,248 | 47,481,405 | 43,202,374 |
| RfR 2 | 1,587,887 | 1,817,546 | 1,364,018 |
| RfR 3 | - | 125,044 | 142,947 |
| Total Net Programme costs | 51,205,135 | 49,423,995 | 44,706,600 |
| Total Net Operating Cost | 51,395,035 | 49,619,772 | 44,902,178 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 51,395,035 | 49,619,772 | 44,904,917 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | -2,739 |
| Resource Budget | 46,729,497 | 44,875,173 | 41,930,212 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 51,395,035 | 49,619,772 | 44,904,917 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | -2,739 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 51,395,035 | 49,619,772 | 44,902,178 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -59 |
| Capital grants | -4,600,905 | -4,607,229 | -2,974,173 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | -202,889 | -162,746 | 2,266 |
| Unallocated resource provision | 138,256 | 25,376 | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 46,729,497 | 44,875,173 | 41,930,212 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 46,729,497 | 44,863,173 | 41,930,212 |
| Annually Managed Expenditure (AME) | - | 12,000 | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 20,300 | 9,595 | 13,784 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | 210,671 | 169,086 | 33,652 |
| Capital grants | 4,600,905 | 4,607,229 | 2,974,173 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | 1,054,002 | 1,041,358 | 1,031,302 |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | 123,713 | 412 | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 6,009,591 | 5,827,680 | 4,052,911 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 6,009,591 | 5,827,680 | 4,052,911 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

Request for Resources 1: Mr David Bell, Permanent Head of the Department

Request for Resources 2: Mr David Bell, Permanent Head of the Department

Mr David Bell, Permanent Head of Department as the Accounting Officer of the Department for Children, Schools and Families has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Children, Schools and Families.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|--------------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills | | | |
| Administration | 1,600 | 16,874 | 2,933 |
| <i>of which:</i> | | | |
| Sale of goods and services | 1,600 | 16,874 | 2,933 |
| Programme | 135 | 8,598 | 14,165 |
| <i>of which:</i> | | | |
| Sale of goods and services | 135 | 8,551 | 9,417 |
| Other grant income (including repayments of grants/subsidies) | - | 2 | 4,040 |
| Interest and dividends | - | - | 708 |
| Other income (including receipts) | - | 45 | - |
| Total RfR 1 | 1,735[†] | 25,472 | 17,098 |
| <p><i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: sale of National Record of Achievement products; receipts in connection with Childcare Link; Training and Enterprise Councils (TECs) contributions towards the cost of Individual Learning Accounts; receipts covering the return of assets from TECs as part of their winding-up process; recovery of salaries, etc. for seconded staff; receipts from careers service conferences; receipts relating to Skills Training Agency, Qualifications and Curriculum Authority properties and surplus Funding Agency for Schools and TEC properties; receipts from the sale of surplus properties; receipts from outside organisations (including the EC) in respect of advertising and publicity activities and materials;</i></p> <p><i>sale of research publications; repayments of grants overpaid to voluntary aided and special schools in previous years, including repayment of proceeds of sale; receipts from the European Social Fund to cover departmental programmes supported by the EC; general administration receipts, including those in connection with services provided to Sure Start; profits on the sale of surplus equipment and other assets; rent income from three domestic properties on the estate of the European School at Culham, Oxfordshire; contributions from the National Assembly for Wales towards Key Skills; contributions from the National Assembly for Wales and the Scottish Executive for dance and drama students; contributions from the Scottish Executive, the National Assembly for Wales, and the Northern Ireland Executive towards Millennium Volunteers and miscellaneous European Education programmes; contributions from the National Assembly for Wales and the Northern Ireland Executive for the International Mathematics Olympiad; annual maintenance fee from the Northern Ireland Executive for the National Professional Qualification for Headship; contributions from other government departments and other sources towards the costs of promoting UK education and training overseas; receipts for Teachers TV; International Receipts (including the EC); Schools Standard Fund receipts; Music Manifesto Champion; Food Standards Agency receipts; and of research and miscellaneous services and projects; inspection of Jobcentre Plus from the Department of Work and Pensions; Strengthening Families receipts from the Home Office; Literacy and Numeracy receipts; London Challenge receipts; receipts from the Department of Health for Investors in People Healthy Organisations.</i></p> | | | |
| Total Operating A in A | 1,735 | 25,472 | 17,098 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills | | | |
| Programme | - | 575 | 110 |
| <i>of which:</i> | | | |
| Sale of assets | - | 575 | 17 |
| Loan, etc, repayments | - | - | 93 |
| Total RfR 1 | - | 575 | 110 |
| Total Non-Operating A in A | - | 575 | 110 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|---------------------|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Other Income Φ | - | - | - | - | 2,739 | 2,925 |
| Total | - | - | - | - | 2,739 | 2,925 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|------------|-----------|------------|
| | Voted | Non-voted | Total |
| Resource DEL | 45,640,429 | 1,089,068 | 46,729,497 |
| <i>of which: †</i> | | | |
| Administration budget | 189,900 | - | 189,900 |
| Near-cash in RDEL | 45,637,963 | 1,121,534 | 46,759,497 |
| Capital DEL †† | 4,831,205 | 1,178,386 | 6,009,591 |
| Less Depreciation ††† | -7,932 | -3,559 | -11,491 |
| Total DEL | 50,463,702 | 2,263,895 | 52,727,597 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £51,395,035,000 is 3.6 per cent higher than the final net provision for 2007-08 of £49,619,772,000 and 4.5 per cent higher than the forecast outturn for 2007-08 of £49,202,126,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 1,735 | 26,047 | 17,208 |

Notes to the Main Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|--------------------|--|--------------|
| RfR1, Section C | Payment to support the Aiming Higher for Disabled Children implementation programme. | 3,000 |
| RfR1, Section C | Payment to support improving the health of looked after children. | 150 |
| RFR1, Section C | Pilot programme to evaluate the impact of a social pedagogic approach in residential children's homes. | 700 |

Notes to the Main Estimate (*continued*)

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|---|----------------|
| RfR1- Q | British Educational Communications and Technology Agency♦ | 10,460 |
| RfR1- Q | National College for Schools Leadership♦ | 81,900 |
| RfR1- Q | Schools Food Trust♥ | 8,001 |
| RfR1- Q | Training and Development Agency for Schools♥ | 599,315 |
| RfR1- R | Children and Families Court Advisory and Support Service♥ | 113,035 |
| RfR1- R | Children's Commissioner♥ | 2,533 |
| RfR1- T | Qualifications and Curriculum Authority♥ | 128,457 |
| | Total | 943,701 |

Notes to the Main Estimate (*continued*)

Contingent liabilities

| Nature of Liability | £'000 |
|---|--------|
| As at 31 March 2008, the following liabilities fell to be met from the Department's Estimate: | |
| Non-statutory | |
| The department will meet the accrued Civil Service redundancy entitlement to date of resignation of secondees who resigned from the Department to take up Training and Enterprise (TEC) employment on or after 1 January 1993 in TECs in England and Wales if: | 2,500 |
| a) their TEC makes them redundant due to direct government action due to their first five years of employment; | |
| b) a court or tribunal ever ruled that TEC and civil service employment were continuous for redundancy calculation purposes. | |
| The department has and will continue to give indemnities to Training and Enterprise Councils (TECs), chamber of Commerce Training and Enterprise Councils (CCTEs), their representative TEC bodies and those concerned with the wind up, transfer or continuation of TEC delivered activity, where this will facilitate the conclusion of the working and contractual relationship between TEC's, CCTE's and the Government, thereby ensuring the continuation of essential discretionary activity and the return of residual reserves owing to the Secretary of State at the | |
| Liabilities that arise from audit work carried out in respect of the delivery of activities funded through the European union initiatives or through Single Regeneration Budget and other schemes sponsored by Government Departments other than DCSF and F40; | 60,747 |
| Liabilities that arise from the transfer of TEC/CCTE functions to successors, including from staff who have been transferred or been made redundant, who as a result of the transfer seek redress through the Employment Tribunal; and | 1,000 |
| Liabilities arising from properties leased by TECs/CCTEs that they have been unable to dispose of by the time they wind up. The department may take over these leases and dispose of them on behalf of TECs/CCTEs. | 4,935 |
| Arrangements to allow the appointment of a receiver to manage the affairs of Nottingham Enterprise Ltd (formerly North Nottingham TEC). | 2,000 |
| Arrangements to allow for the appointment of a receiver at any TEC we believe necessary. | 6,000 |
| Contract with CfBT for the provision of services relating to the government's drive to raise standards through the primary and Key Stage 3 Strategies. | 560 |

In order to ensure the continue occupancy of a surplus government office, the lease in Histon, Cambridge was assigned in 2003 to Opportunity Links Ltd. They are a company limited by guarantee, working closely with DCSF to support the delivery of infomation to families. Under the terms of the original lease the Secretary of State is guarentor of the tenants' obligations and in the event of Opportunity Links ceasing to exist, the Secretary of State will be required to take over the lease obligations.

1,168

Teachers' Pension Scheme (England & Wales)

Introduction

1. This Estimate provides for the payments of pensions and lump sum benefits to persons covered by the Teachers' Pension Scheme (TPS). The rules of the scheme are contained in the teachers' pensions regulations 1997 (as amended). The scheme is an unfunded, contributory, public service occupational pension scheme and applies mainly to teachers employed in schools in England and Wales and their dependants. Provision is made for the refund of contributions to early leavers, and for the payment of and receipt of transfer payments in respect of teachers moving out of and into employment covered by the scheme. The Estimate also includes the increase payable in accordance with the Annual Review orders made under Section 59 of the Social Security Pensions Act 1975 and Section 109 of the Pensions Schemes Act 1993.
2. The Estimate also provides for premature retirement compensation payments made on behalf of employers and for the recovery of costs of those payments from employers.
3. Part of the TPS income consists of actual receipts, e.g. contributions from employers and employees, transfer of payments from other superannuation schemes etc. These are appropriated in aid of this Estimate to meet expenditure on benefits, although in practice there is no correlation between receipts and expenditure.
4. Benefits and contributions are carried to a statutory account and valued quinquennially by the Government Actuary. Any deficiencies revealed in valuations will fall to be met by supplementary contributions, shared between employers and employees over a period of 15 years.
5. Symbols are explained in the Introduction to this booklet.

Teachers' Pension Scheme (England & Wales)

Part I

| | £ |
|--|-----------------------|
| Request for Resources 1: Teachers' pensions | 11,137,785,000 |
| Total net resource requirement | 11,137,785,000 |
| Net cash requirement | 1,768,189,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Teachers' Pension Scheme (England & Wales) on:

RfR 1: Teachers' pensions

Superannuation allowances and gratuities, and other related expenditure, in respect of teachers and the widows, widowers, children and dependants of deceased teachers, and for premature retirement compensation payments made to members of the Teachers' Pension Scheme and on behalf of their employers; and associated non-cash items.

The **Teachers' Pension Scheme (England & Wales)** will account for this Estimate.

| | £ | | |
|---------------------------------------|-----------------------|------------------------------------|------------------------|
| | Net total | Allocated in Vote on Account | Balance to complete |
| RfR 1 | 11,137,785,000 | 4,732,613,000 | 6,405,172,000 |
| Total net resource requirement | 11,137,785,000 | 4,732,613,000 | 6,405,172,000 |
| Net cash requirement | 1,768,189,000 | 712,640,000 | 1,055,549,000 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|------------------|-------------------|-------------------|------------------|-------------------|------------------------------|--------|------------------------|------------------------|------------------------------|----------------------------|
| 2008-09 Provision | | | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
| Resources | | | | | | Capital Non- operating | | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 1: Teachers' pensions | | | | | | | | | | | |
| - | - | 15,838,071 | 15,838,071 | 4,700,286 | 11,137,785 | - | - | 10,706,436 | 8,658,435 | | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A Pension and associated payments | | | | | | | | | | | |
| - | - | 15,838,071 | 15,838,071 | 4,700,286 | 11,137,785 | - | - | 10,706,436 | 8,658,435 | | |
| Total for Estimate: | | | | | | | | | | | |
| - | - | 15,838,071 | 15,838,071 | 4,700,286 | 11,137,785 | - | - | 10,706,436 | 8,658,435 | | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 11,137,785 | 10,706,436 | 8,658,435 |
| Voted capital items | | | |
| Capital | - | - | - |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | - | - | - |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | - | - | - |
| Depreciation | - | - | - |
| New provisions and adjustments to previous provisions | -15,832,062 | -15,258,129 | -12,822,801 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | - |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | 12,195 | 88,635 | -7,745 |
| Increase (-) / Decrease (+) in creditors | -18,057 | -22,021 | -22,101 |
| Use of provisions | 6,468,328 | 5,996,256 | 5,458,339 |
| Total accruals to cash adjustments | -9,369,596 | -9,195,259 | -7,394,308 |
| Excess cash to be CFERd | - | 72,469 | - |
| Net Cash Requirement | 1,768,189 | 1,583,646 | 1,264,127 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|------------------------|------------------|------------------------|----------------|------------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| | Provision | | Provision | | Outturn | |
| Operating income not classified as A in A | 169 | <i>169</i> | 132 | <i>59,237</i> | 59,248 | <i>147</i> |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | <i>72,469</i> | - | - |
| Total | 169 | <i>169</i> | 132 | <i>131,706</i> | 59,248 | <i>147</i> |

Forecast Combined Revenue Account

| | £'000 | | |
|----------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Programme Costs | | | |
| RfR 1 | 11,137,785 | 10,706,436 | 8,658,435 |
| <i>of which:</i> | | | |
| Income | | | |
| Contributions received | 4,621,214 | 4,478,367 | 4,088,845 |
| Transfers in | 77,030 | 74,336 | 80,051 |
| Other income receivable | 2,042 | 4,404 | 1,776 |
| Total Income | 4,700,286 | 4,557,107 | 4,170,672 |
| Expenditure | | | |
| Increase in liability | 6,224,426 | 6,895,867 | 5,150,266 |
| Interest on scheme liability | 9,607,636 | 8,362,262 | 7,672,535 |
| Other expenditure | 6,009 | 5,414 | 6,306 |
| Total Expenditure | 15,838,071 | 15,263,543 | 12,829,107 |
| Non-voted | -169 | -132 | -59,248 |
| Total Net Programme costs | 11,137,616 | 10,706,304 | 8,599,187 |
| Total Net Operating Cost | 11,137,616 | 10,706,304 | 8,599,187 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 11,137,785 | 10,706,436 | 8,658,435 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | -169 | -132 | -59,248 |
| Resource Budget | 11,137,616 | 10,706,304 | 8,599,187 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 11,137,785 | 10,706,436 | 8,658,435 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | -169 | -132 | -59,248 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 11,137,616 | 10,706,304 | 8,599,187 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 11,137,616 | 10,706,304 | 8,599,187 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | 11,137,616 | 10,706,304 | 8,599,187 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | - | - | - |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Mr David Bell, Permanent Head of the Department

Mr David Bell Permanent Head of the Department as the Accounting Officer of the Teachers' Pension Scheme (England & Wales) has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Teachers' Pension Scheme (England & Wales).

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Teachers' pensions | | | |
| Programme | 4,700,286 | 4,557,107 | 4,170,672 |
| <i>of which:</i> | | | |
| Pension scheme related income | 4,700,286 | 4,557,107 | 4,170,672 |
| Total RfR 1 | 4,700,286† | 4,557,107 | 4,170,672 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from employers and employees superannuation contributions; transfer values received; deductions from returns of contributions towards payment in lieu of graduated national insurance contributions equivalent premiums; recovery of contributions equivalent premiums from the state pension scheme; amounts received from employers of teachers' scheme members in reimbursement of the cost of premature retirement compensation payments on their behalf by Capita.</i> | | | |
| Total Operating A in A | 4,700,286 | 4,557,107 | 4,170,672 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Over recovery of appropriations in aid Δ | 169 | 169 | 132 | 59,237 | 59,248 | 147 |
| Excess cash surrendered \bullet | - | - | - | 72,469 | - | - |
| Total | 169 | 169 | 132 | 131,706 | 59,248 | 147 |

Notes to the Main Estimate (*continued*)

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £11,137,785,000 is 4.0 per cent higher than the final net provision for 2007-08 of £10,706,436,000 and 4.0 per cent higher than the forecast outturn for 2007-08 of £10,704,763,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 4,700,286 | 4,557,107 | 4,170,672 |

Notes to the Main Estimate (*continued*)**Contingent liabilities**

Nature of Liability**£'000**

As at March 2003, the following liabilities fell to be met from the estimate:

A very remote contingent liability to make Additional Voluntary Contributions related to pensions. This would be in the unlikely event of default by the private insurance company. Unquantifiable

Office for Standards in Education, Children's Services and Skills

Introduction

1. The Office for Standards in Education, Children's Services and Skills (Ofsted) serves the interests of children, young people, parents, adult learners, employers and the wider community in England by encouraging improvement and value for money in education, skills and young people's care through independent inspection, regulation and reporting.

2. Ofsted's inspection and regulatory responsibilities include child-minding and day care, social care services for children, children's homes, family centres, adoption and fostering agencies, the Children and Family Court Advisory and Support Service, children's services in local authorities, maintained schools and the Independent Schools Inspectorate, initial teacher training, further education colleges and 14-19 provision, work-based training and adult and community learning.

3. The duties of Her Majesty's Chief Inspector of Education, Children's Services and Skills include:

(1) the general duty of keeping the Secretary of State informed about:

(a) the quality of activities within the Chief Inspector's remit and (where appropriate) the standards achieved by those for whose benefit such activities are carried out

(b) improvements in the quality of such activities and in any such standards

(c) the extent to which such activities are being carried out as user-focused activities

(d) the efficient and effective use of resources in the carrying out of such activities and services

(2) providing the Secretary of State with information or advice, as stipulated in specific requests, on such matters relating to activities within the Chief Inspector's remit

(3) giving advice at any time to the Secretary of State on any matter connected with any activities within her remit, including advice relating to a particular establishment, institution or agency.

4. More details about the expenditure supporting the department's objectives are set out in the departmental report.

5. Symbols are explained in the Introduction to this booklet.

Office for Standards in Education, Children's Services and Skills

Part I

| | £ |
|---|--------------------|
| Request for Resources 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting | 171,699,000 |
| Total net resource requirement | 171,699,000 |
| Net cash requirement | 178,930,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Office for Standards in Education, Children's Services and Skills on:

RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting

The registration and inspection of childcare and arrangements for the care and support of children and young people, the inspection of all maintained and some independent schools, further education, all publicly-funded adult education and training and some privately-funded training provision, teacher training and the Children and Family Court Advisory Support Service, as well as the joint area reviews and annual performance assessments of local children's services provision and associated non-cash items.

The **Office for Standards in Education, Children's Services and Skills** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|--------------------|---------------------------------|------------------------|
| RfR 1 | 171,699,000 | 92,198,000 | 79,501,000 |
| Total net resource requirement | 171,699,000 | 92,198,000 | 79,501,000 |
| Net cash requirement | 178,930,000 | 91,271,000 | 87,659,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|-------------------------------|----------|----------------|---------------|----------------|----------------------|--------------------|----------------|----------------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting | | | | | | | | | |
| 28,341 | 157,858 | - | 186,199 | 14,500 | 171,699 | 981 | - | 220,809 | 204,433 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Administration and Inspection | | | | | | | | |
| 28,341 | 157,858 | - | 186,199 | 14,500 | 171,699 | 981 | - | 220,809 | 204,433 |
| Total for Estimate: | | | | | | | | | |
| 28,341 | 157,858 | - | 186,199 | 14,500 | 171,699 | 981 | - | 220,809 | 204,433 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 171,699 | 220,809 | 204,433 |
| Voted capital items | | | |
| Capital | 981 | 981 | 615 |
| Less Non-operating A-in-A | - | - | 600 |
| Total net voted capital | 981 | 981 | 15 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | 770 | -115 | 762 |
| Depreciation | -667 | -1,174 | -1,433 |
| New provisions and adjustments to previous provisions | 1,891 | - | -3,404 |
| Profit/loss on sale of assets | - | - | 185 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -65 | -70 | -65 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | 1,960 | - |
| Increase (-) / Decrease (+) in creditors | - | 1,410 | - |
| Use of provisions | 4,321 | 3,290 | 9,235 |
| Total accruals to cash adjustments | 6,250 | 5,301 | 5,280 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 178,930 | 227,091 | 209,728 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------------------|------------------------|------------------------------|------------------------|----------------------------|------------------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | 1 | - | - | - |
| Non-operating income not classified as A in A | - | - | - | - | 708 | <i>708</i> |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | 1 | - | 708 | <i>708</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 28,236 | 28,955 | 28,391 |
| Total Net Administration costs | 28,236 | 28,955 | 28,391 |
| Net Programme Costs | | | |
| RfR 1 | 143,463 | 191,853 | 176,042 |
| Total Net Programme costs | 143,463 | 191,853 | 176,042 |
| Total Net Operating Cost | 171,699 | 220,808 | 204,433 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 171,699 | 220,809 | 204,433 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | -1 | - |
| Resource Budget | 179,750 | 220,809 | 204,618 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 171,699 | 220,809 | 204,433 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | -1 | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 171,699 | 220,808 | 204,433 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | 185 |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | 1 | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | 8,051 | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 179,750 | 220,809 | 204,618 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 179,750 | 220,809 | 204,618 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 981 | 981 | 15 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | -708 |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 981 | 981 | -693 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 981 | 981 | -693 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Christine Gilbert, Permanent Head of the Department

Christine Gilbert as the Accounting Officer of the Office for Standards in Education, Children's Services and Skills has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office for Standards in Education, Children's Services and Skills.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting | | | |
| Administration | 105 | 95 | 307 |
| <i>of which:</i> | | | |
| Sale of goods and services | 105 | 95 | 307 |
| Programme | 14,395 | 15,346 | 5,179 |
| <i>of which:</i> | | | |
| Sale of goods and services | 14,395 | 15,346 | 5,179 |
| Total RfR 1 | 14,500† | 15,441 | 5,486 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: departmental public and other bodies; sales and use of official cars and assets, property charges made to minor occupiers, registration fees (including fees from childcare and social care providers); and charges for training of inspectors other than Ofsted staff, and recovery of personal telephone costs; and the sale of training material and licences.</i> | | | |
| Total Operating A in A | 14,500 | 15,441 | 5,486 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting | | | |
| Programme | - | - | 600 |
| <i>of which:</i> | | | |
| Sale of assets | - | - | 600 |
| Total RfR 1 | - | - | 600 |
| Total Non-Operating A in A | - | - | 600 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|---------------------|-----------|----------|-----------|----------|------------|------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Micellaneous Φ | - | - | 1 | - | - | - |
| Asset Sales Φ | - | - | - | - | 708 | 708 |
| Total | - | - | 1 | - | 708 | 708 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|---------|-----------|---------|
| | Voted | Non-voted | Total |
| Resource DEL | 171,699 | 8,051 | 179,750 |
| <i>of which: †</i> | | | |
| Administration budget | 28,236 | - | 28,236 |
| Near-cash in RDEL | 173,628 | 12,372 | 186,000 |
| Capital DEL †† | 981 | - | 981 |
| Less Depreciation ††† | -667 | - | -667 |
| Total DEL | 172,013 | 8,051 | 180,064 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £171,699,000 is 22.2 per cent lower than the final net provision for 2007-08 of £220,809,000 and 20.5 per cent lower than the forecast outturn for 2007-08 of £216,092,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 14,500 | 15,441 | 6,086 |

Department of Health

Introduction

1 About 96 per cent of central government expenditure on health and personal social services (HPSS) in England is in RfR1: the balance of voted expenditure, including the Department's costs of administering expenditure is borne on RfR2 and RfR3. Corresponding expenditure in Scotland is shown in Scotland's Supply Estimates 2008-09 and in Wales will be shown as part of the budget for the National Assembly for Wales and in Northern Ireland is published in separate Estimates.

2. RfR1 covers current and capital expenditure of strategic health authorities and primary care trusts from their unified budgets, central departmental expenditure to and on behalf of the NHS including funding special health authorities and other national bodies, on services such as purchase of vaccines, and on service specific levies for education and training, and research and development. It also covers expenditure on non-discretionary family health services, financing for hospital building under the credit guarantee finance pilot projects, and grant in aid funding of non departmental public bodies and NHS foundation trusts. Provision is also made for issues of new public dividend capital (PDC) to and repayments of PDC and payment of dividends on PDC by NHS trusts and NHS foundation trusts, loans to and repayment of loan principal and payment of interest by NHS trusts and NHS foundation trusts and an appropriate element of NHS contributions paid by employers and employees.

3. RfR2 covers the gross administration costs of the central department and expenditure on the NHS Purchasing and Supply Authority and associated capital expenditure. It also covers non-discretionary European Economic Area and other countries medical costs and welfare food expenditure, expenditure on central health and miscellaneous services, personal social services related payments, grants to local authorities and grant funding for certain NDPBs.

4. RfR3 covers grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts.

5. There are three main changes to the layout since 2007-08.

(i) The departments research and development budget is now shown in RfR1 Line E.

(ii) Some RfR2 grants to local authorities have been brought together as area based grants which will provide personal social services to local authorities via the Department for Communities and Local Government.

(iii) Some new capital grants to local authorities were agreed as part of the spending review and are shown in RfR2.

6. More details about the expenditure supporting the department's objectives are set out in the departmental report.

7. Symbols are explained in the Introduction to this booklet.

Department of Health

Part I

| | £ |
|---|-----------------------|
| Request for Resources 1: Securing health care for those who need it. | 72,426,666,000 |
| Request for Resources 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health | 3,092,591,000 |
| Request for Resources 3: Office of the Independent Regulator for NHS Foundation Trusts | 15,674,000 |
| Total net resource requirement | 75,534,931,000 |
| Net cash requirement | 74,387,705,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Department of Health on:

RfR 1: Securing health care for those who need it.

Revenue and capital expenditure for strategic health authorities and primary care trusts under their unified budgets, family health services (including general medical, general ophthalmic and pharmaceutical services); Public Dividend Capital (PDC) to NHS Trusts and NHS Foundation Trusts, loans to NHS Trusts and NHS Foundation Trusts, education, training, research and development; centrally managed expenditure to and on behalf of the NHS including funding Special Health authorities and other national bodies; forming, investing in or providing loans or guarantees to companies that will provide facilities or services to the NHS, provision of hospital financing for credit guarantee finance pilot projects; payments to local authorities for use in local area agreements; services provided to or on behalf of the Scottish Executive, National Assembly for Wales, and Northern Ireland, and associated non-cash items.

RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health

Revenue and capital administration, including certain expenditure on behalf of the Department of Work and Pensions and the National Health Service in England; departmental agencies, centrally funded health and social services (including non-departmental public bodies and special health authorities some of which are administered on a United Kingdom basis); including other local government services, prison health services, medical, scientific and technical services, services for disabled persons, grants to voluntary organisations and other bodies, research and development, information services for health and personal social services and health promotion activities; provision of personal social services (including grants to local authorities); payments to local authorities for use in area based grants; medical treatment given to people from the United Kingdom in the European Economic Area and other countries; welfare food; Home Office inspection of laboratories; grants in aid; payments and subscriptions to international organisations; education and training for all health care professionals (excluding doctors);

the Employment Opportunities Fund programme; services provided to or on behalf of the Scottish Executive, National Assembly for Wales, Northern Ireland and the Medicines and Healthcare Products Regulatory Agency, and associated non-cash items

RfR 3: Office of the Independent Regulator for NHS Foundation Trusts

Grant in aid funding for the Office of the Independent Regulator for NHS Foundation Trusts.

The **Department of Health** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-----------------------|---------------------------------|------------------------|
| RfR 1 | 72,426,666,000 | 30,606,659,000 | 41,820,007,000 |
| RfR 2 | 3,092,591,000 | 1,591,342,000 | 1,501,249,000 |
| RfR 3 | 15,674,000 | 5,695,000 | 9,979,000 |
| Total net resource requirement | 75,534,931,000 | 32,203,696,000 | 43,331,235,000 |
| Net cash requirement | 74,387,705,000 | 31,839,669,000 | 42,548,036,000 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|---|---------|-------------|------------|-------------|------------------------------|--------------------|-------------|-------------|-------|--|
| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | | | |
| Resources | | | | | | Capital Non- operating | | Net Total | Net Total | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 1: Securing health care for those who need it. | | | | | | | | | | | |
| - | 94,349,897 | 676,287 | 95,026,184 | 22,599,518 | 72,426,666 | 4,138,484 | 1,852,736 | 70,167,580 | 61,003,368 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Strategic health authorities and primary care trusts unified budgets and central allocations | | | | | 1,702,870 | 127,000 | 86,949,092 | 76,733,025 | | |
| - | 91,872,212 | 294,086 | 92,166,298 | 2,327,069 | 89,839,229 | | | | | | |
| B | FHS - pharmaceutical services | | | | | - | - | 1,075,195 | 1,033,473 | | |
| - | 1,110,155 | - | 1,110,155 | - | 1,110,155 | | | | | | |
| C | FHS - prescription charges income | | | | | - | - | -421,000 | -411,715 | | |
| - | - | - | - | 444,000 | -444,000 | | | | | | |
| D | FHS - general ophthalmic services | | | | | - | - | 410,000 | 380,588 | | |
| - | 426,653 | - | 426,653 | 53 | 426,600 | | | | | | |
| E | Research and Development | | | | | - | - | - | - | | |
| - | 825,884 | - | 825,884 | 1,000 | 824,884 | | | | | | |
| <i>Support for Local Authorities</i> | | | | | | | | | | | |
| F | Strategic health authorities and primary care trusts grants to local authorities | | | | | - | - | 268,334 | 277,672 | | |
| - | - | 194,000 | 194,000 | - | 194,000 | | | | | | |
| | <i>FHS - general dental services</i> | | | | | - | - | - | 19,086 | | |
| - | - | - | - | - | - | | | | | | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| G | Hospital financing for credit guarantee finance pilot projects, benefits for patients moved from prison to hospital and certain health authority and primary care trust impairments. | | | | | 10,000 | - | 71,865 | 84,178 | | |
| - | 114,993 | - | 114,993 | 22,098 | 92,895 | | | | | | |
| Non-Budget | | | | | | | | | | | |
| H | Grant in aid to non-departmental public bodies, NHS trusts and foundation trusts PDC issues and repayments, NHS trusts and foundation trusts loans and repayments and repayment of interest | | | | | 2,425,614 | 1,725,736 | -969,688 | -907,668 | | |
| - | - | 188,201 | 188,201 | 1,203,000 | -1,014,799 | | | | | | |
| I | NHS contributions | | | | | - | - | -17,216,218 | -16,205,271 | | |
| - | - | - | - | 18,602,298 | -18,602,298 | | | | | | |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|--|-----------|-------------|-----------|-----------|------------------------------|----------------------|--------------------|-----------|-----------|--|
| 2008-09 Provision | | | | | | | 2007-08 Provision | 2006-07 Outturn | | | |
| Resources | | | | | | Capital Non- operating | | Net Total | Net Total | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health | | | | | | | | | | | |
| | 223,078 | 1,228,639 | 1,707,438 | 3,159,155 | 66,564 | 3,092,591 | 20,521 | - | 3,659,945 | 3,300,548 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Central department | | | | | | | | | | |
| | 223,078 | 10,468 | - | 233,546 | 3,915 | 229,631 | 19,970 | - | 241,503 | 239,058 | |
| B | NHS Purchasing and Supplies Authority | | | | | | | | | | |
| | - | 31,009 | - | 31,009 | 1,836 | 29,173 | 551 | - | 24,772 | 25,048 | |
| C | Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services | | | | | | | | | | |
| | - | 248,962 | 33,353 | 282,315 | 891 | 281,424 | - | - | 325,465 | 275,437 | |
| D | Welfare food and European Economic Area and other countries medical costs | | | | | | | | | | |
| | - | 926,513 | - | 926,513 | 59,921 | 866,592 | - | - | 819,792 | 708,411 | |
| E | Other personal social services | | | | | | | | | | |
| | - | 11,687 | 230,973 | 242,660 | - | 242,660 | - | - | 276,181 | 131,456 | |
| F | Medicines and Healthcare Products Regulatory Agency loans, repayment of loans and interest on loans. | | | | | | | | | | |
| | - | - | - | - | 1 | -1 | - | - | -742 | - | |
| <i>Support for Local Authorities</i> | | | | | | | | | | | |
| G | AIDS support grant | | | | | | | | | | |
| | - | - | 22,900 | 22,900 | - | 22,900 | - | - | 19,600 | 18,573 | |
| H | Extra Care housing grant | | | | | | | | | | |
| | - | - | 40,000 | 40,000 | - | 40,000 | - | - | 40,000 | 19,882 | |
| I | Area Based Grant | | | | | | | | | | |
| | - | - | 942,218 | 942,218 | - | 942,218 | - | - | - | - | |
| J | Learning Disabilities | | | | | | | | | | |
| | - | - | 14,000 | 14,000 | - | 14,000 | - | - | - | - | |
| K | Transforming Personalisation, Prevention & Well-being (TPPW) | | | | | | | | | | |
| | - | - | 85,000 | 85,000 | - | 85,000 | - | - | - | - | |
| L | Common Assessment Framework | | | | | | | | | | |
| | - | - | 11,000 | 11,000 | - | 11,000 | - | - | - | - | |
| M | Social Care Infrastructure | | | | | | | | | | |
| | - | - | 15,000 | 15,000 | - | 15,000 | - | - | - | - | |
| N | Social Care Capital | | | | | | | | | | |
| | - | - | 27,727 | 27,727 | - | 27,727 | - | - | - | - | |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|----------------------|--|--------|-------------|---------|-----------|------------------------------|----------------------|--------------------|-----------|---------|---------|
| 2008-09 Provision | | | | | | | 2007-08 Provision | 2006-07 Outturn | | | |
| Resources | | | | | | Capital Non- operating | | Net Total | Net Total | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| O | Mental Health Capital | - | - | 22,593 | 22,593 | - | 22,593 | - | - | - | - |
| | <i>Services for people with a mental illness including services under the mental capacity act.</i> | - | - | - | - | - | - | - | - | 147,525 | 132,239 |
| | <i>Carers' grant</i> | - | - | - | - | - | - | - | - | 185,000 | 185,000 |
| | <i>Preserved rights grant</i> | - | - | - | - | - | - | - | - | 275,248 | 297,530 |
| | <i>Improving Information management (Capital)</i> | - | - | - | - | - | - | - | - | 25,000 | 24,802 |
| | <i>National training strategy</i> | - | - | - | - | - | - | - | - | 107,859 | 107,859 |
| | <i>Access and systems capacity grant</i> | - | - | - | - | - | - | - | - | 546,000 | 546,000 |
| | <i>Human resources development strategy</i> | - | - | - | - | - | - | - | - | 49,750 | 49,750 |
| | <i>Children and adolescents mental health grant</i> | - | - | - | - | - | - | - | - | 89,289 | 90,169 |
| | <i>Delayed discharge grant</i> | - | - | - | - | - | - | - | - | 100,000 | 100,000 |
| | <i>Assistive technology: older people</i> | - | - | - | - | - | - | - | - | 50,000 | 30,000 |
| | <i>Prevention services pilots : older people</i> | - | - | - | - | - | - | - | - | 39,722 | 19,887 |
| | <i>Individual Budget Pilots</i> | - | - | - | - | - | - | - | - | 3,271 | 3,136 |
| Non-Budget | | | | | | | | | | | |
| P | Grant in Aid funding of non-departmental public bodies and special health authorities | - | - | 262,674 | 262,674 | - | 262,674 | - | - | 294,710 | 296,311 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|---|-----------|-------------|------------|------------|------------------------------|--------------------|------------|------------|-------|--|
| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | | | |
| Resources | | | | | | Capital Non- operating | | Net Total | Net Total | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 3: Office of the Independent Regulator for NHS Foundation Trusts | | | | | | | | | | | |
| - | - | 15,674 | 15,674 | - | 15,674 | - | - | 14,007 | 12,324 | | |
| Non-Budget | | | | | | | | | | | |
| A | Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts | | | | | | | | | | |
| - | - | 15,674 | 15,674 | - | 15,674 | - | - | 14,007 | 12,324 | | |
| Total for Estimate: | | | | | | | | | | | |
| 223,078 | 95,578,536 | 2,399,399 | 98,201,013 | 22,666,082 | 75,534,931 | 4,159,005 | 1,852,736 | 73,841,532 | 64,316,240 | | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 75,534,931 | 73,841,532 | 64,316,240 |
| Voted capital items | | | |
| Capital | 4,159,005 | 3,929,537 | 3,875,782 |
| Less Non-operating A-in-A | 1,852,736 | 1,808,538 | 1,601,202 |
| Total net voted capital | 2,306,269 | 2,120,999 | 2,274,580 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -974,882 | -874,700 | -903,772 |
| Depreciation | -883,594 | -865,288 | -605,677 |
| New provisions and adjustments to previous provisions | -2,669,385 | -3,197,081 | -2,196,204 |
| Profit/loss on sale of assets | - | -11,715 | -193,624 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -625 | -522 | -594 |
| Increase (+) / Decrease (-) in stock | - | - | 117,996 |
| Increase (+) / Decrease (-) in debtors | - | - | -351,060 |
| Increase (-) / Decrease (+) in creditors | - | -1,034,000 | 614,556 |
| Use of provisions | 1,074,991 | 1,100,785 | 1,129,172 |
| Total accruals to cash adjustments | -3,453,495 | -4,882,521 | -2,389,207 |
| Excess cash to be CFERd | - | - | 167,090 |
| Net Cash Requirement | 74,387,705 | 71,080,010 | 64,368,703 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|-----------------|----------------|-------------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | 876,852 | <i>876,852</i> |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | <i>167,090</i> |
| Total | - | - | - | - | 876,852 | <i>1,043,942</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | - | - | - |
| RfR 2 | 219,163 | 231,003 | 228,525 |
| RfR 3 | - | - | - |
| Total Net Administration costs | 219,163 | 231,003 | 228,525 |
| Net Programme Costs | | | |
| RfR 1 | 72,426,666 | 70,167,580 | 61,003,368 |
| RfR 2 | 2,873,428 | 3,428,942 | 3,072,023 |
| RfR 3 | 15,674 | 14,007 | 12,324 |
| Non-voted | - | - | -876,852 |
| Total Net Programme costs | 75,315,768 | 73,610,529 | 63,210,863 |
| Total Net Operating Cost | 75,534,931 | 73,841,532 | 63,439,388 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 75,534,931 | 73,841,532 | 64,316,240 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | -876,852 |
| Resource Budget | 94,385,324 | 90,065,461 | 80,507,954 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 75,534,931 | 73,841,532 | 64,316,240 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | -876,852 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 75,534,931 | 73,841,532 | 63,439,388 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | -11,715 | -193,624 |
| Capital grants | -336,420 | -368,571 | -222,619 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | 19,805,298 | 18,380,534 | 17,299,532 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | 876,852 |
| Resource consumption of non departmental public bodies | -1,135,597 | -1,793,431 | -705,733 |
| Unallocated resource provision | 503,012 | 3,012 | - |
| Other adjustments | 14,100 | 14,100 | 14,158 |
| Resource Budget (Budget) | 94,385,324 | 90,065,461 | 80,507,954 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 93,859,429 | 89,535,588 | 80,284,567 |
| Annually Managed Expenditure (AME) | 525,895 | 529,873 | 223,387 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 2,306,269 | 2,120,999 | 2,274,580 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | 2,516,821 | 2,466,580 | 2,071,633 |
| Capital grants | 336,420 | 368,571 | 222,619 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | 50,327 | 50,320 |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | 261,000 | - | - |
| Other adjustments | -699,878 | -643,122 | -1,337,363 |
| Capital Budget (Budget) | 4,720,632 | 4,363,355 | 3,281,789 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 4,710,632 | 4,320,172 | 3,193,052 |
| Annually Managed Expenditure (AME) | 10,000 | 43,183 | 88,737 |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

| | |
|---------------------------------|---|
| Request for Resources 1: | Mr David Nicholson, NHS Chief Executive |
| Request for Resources 2: | Mr Hugh Taylor, Permanent Head |
| Request for Resources 3: | Mr Hugh Taylor, Permanent Head |

Mr Hugh Taylor as the Accounting Officer of the Department of Health has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department of Health.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Securing health care for those who need it. | | | |
| Programme | 22,599,518 | 20,981,089 | 19,529,651 |
| <i>of which:</i> | | | |
| Sale of goods and services | 2,772,122 | 2,575,450 | 2,206,940 |
| Regulatory licences, fines, penalties and taxes | 18,602,298 | 17,216,218 | 16,205,271 |
| Other grant income (including repayments of grants/subsidies) | - | - | 500 |
| Interest and dividends | 1,225,098 | 1,189,421 | 1,116,940 |
| Total RfR 1 | 22,599,518† | 20,981,089 | 19,529,651 |

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges for accommodation, goods and services to private and NHS patients, local authorities, Ministry of Defence and others; income from income generation schemes; income from local authorities under joint finance arrangements; income in respect of medical and dental education levy; income from the licensing of software and NHS logo; income in respect of settlement of legal claims; dividends and interest from loans and investments; income from intellectual property; income of the NHS Business Services Authority; income for Research and Development; income from NHS prescription, dental and ophthalmic fraud charges; recoveries from patients in respect of incorrect claims for eligibility for general ophthalmic services; rebates and discounts from manufacturers under the Pharmaceutical Price Regulation Scheme and the Purchasing and Supply Agency arrangements; contributions from employers and employees towards the cost of the NHS; income from the Scottish Executive, the National Assembly for Wales, Northern Ireland, Channel Islands and Isle of Man for services provided for devolved or reserved work;

income from provision of policy and advice to other countries and care trusts; income in connection with the maintenance of the National Joint Registry; income of the Commission for Patient and Public Involvement in Health; income secured by counter fraud services from all sources including compensatory elements and refunds; compensation income; and payments of interest and dividends on PDC by NHS trusts and NHS foundation trusts.

RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health

| | | | |
|---|----------------|---------------|---------------|
| Administration | 3,915 | 5,939 | 5,095 |
| <i>of which:</i> | | | |
| Sale of goods and services | 3,915 | 5,939 | 5,095 |
| Programme | 62,649 | 53,113 | 57,015 |
| <i>of which:</i> | | | |
| Sale of goods and services | 62,648 | 52,371 | 54,208 |
| Other grant income (including repayments of grants/subsidies) | - | - | 2,807 |
| Interest and dividends | 1 | 742 | - |
| Total RfR 2 | 66,564† | 59,052 | 62,110 |

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: administration income from seconded officers; cost of legal proceedings; Employment Opportunities Fund programme; staff telephone calls; staff lease cars scheme; European Fast Stream programme; recoveries from other government departments and non-departmental public bodies; income from the NHS, local authorities, and Medicines and Healthcare Products Regulatory Agency for goods and services; staff accommodation; reimbursement of meetings expenses and selling services into wider markets, library income and open government; income from commercial tenants in DH buildings; NHS Purchasing and Supplies Authority income for energy rebates, seconded officers, staff telephone calls, reimbursement of meeting expenses, staff lease car scheme and health protection work; licence fees and royalties; sales of publications on equipment for the disabled; sale of publications; contributions by members of the public; insurance claims; income by the Human Fertilisation and Embryology Authority, National Biological Standards Board, Health Protection Agency, Health Development Agency, Commission for Social Care Inspection; income from other European economic area countries for NHS treatment of their residents; sale of subsidised dried milk; income from the European Community; contributions from the mobile phone industry; charitable contributions for developing pilot projects with voluntary organisations; refunds from voluntary organisations; contributions to local authority grant schemes;

refunds from communication campaigns contracts and contributions towards the cost of communication campaigns; income from penalty charges; interest and dividend income on trading fund loans; income from the Scottish Executive, the National Assembly for Wales, Northern Ireland, Channel Islands and Isle of Man for services provided for devolved or reserved work; income from the European Union for the reimbursement of staff travel expenses and for goods and services.

| | | | |
|-------------------------------|-------------------|-------------------|-------------------|
| Total Operating A in A | 22,666,082 | 21,040,141 | 19,591,761 |
|-------------------------------|-------------------|-------------------|-------------------|

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|--|------------------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Securing health care for those who need it. | | | |
| Programme | 1,852,736 | 1,808,537 | 1,601,202 |
| <i>of which:</i> | | | |
| Sale of assets | 127,000 | 340,000 | 419,813 |
| Loan, etc, repayments | 1,725,736 | 1,468,537 | 1,181,389 |
| Total RfR 1 | 1,852,736[†] | 1,808,537 | 1,601,202 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: capital income from the sale of land, buildings, surplus vehicles and equipment, repayments of PDC by NHS trusts and NHS foundation trusts, and repayments of principal by NHS trusts and NHS foundation trusts.</i> | | | |
| RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health | | | |
| Programme | - | 1 | - |
| <i>of which:</i> | | | |
| Sale of assets | - | 1 | - |
| Total RfR 2 | - | 1 | - |
| Total Non-Operating A in A | 1,852,736 | 1,808,538 | 1,601,202 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|-----------|----------|-----------|----------|----------------|------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Excess cash related to NHS contributions • | - | - | - | - | - | 167,090 |
| NHS Contributions • | - | - | - | - | 876,852 | 876,852 |
| Total | - | - | - | - | 876,852 | 1,043,942 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|------------|-----------|------------|
| | Voted | Non-voted | Total |
| Resource DEL | 94,444,365 | -584,936 | 93,859,429 |
| <i>of which: †</i> | | | |
| Administration budget | 219,163 | - | 219,163 |
| Near-cash in RDEL | 90,030,872 | 649,188 | 90,680,060 |
| Capital DEL †† | 1,932,811 | 2,777,821 | 4,710,632 |
| Less Depreciation ††† | -785,594 | -59,400 | -844,994 |
| Total DEL | 95,591,582 | 2,133,485 | 97,725,067 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £75,534,931,000 is 2.3 per cent higher than the final net provision for 2007-08 of £73,841,532,000 and 3.1 per cent higher than the forecast outturn for 2007-08 of £73,238,800,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 24,518,818 | 22,848,679 | 21,192,963 |

Notes to the Main Estimate (*continued*)**Expenditure resting on the sole authority of the Appropriation Act**

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|--------------------|---|--------------|
| RfR2 /C | Grants to voluntary organisations to expand opportunities for unemployed people to participate in voluntary work. | 7,086 |

Notes to the Main Estimate (*continued*)

Expenditure in the form of adjustable advances

Sections G to O of RfR2 contain certain grants to local authorities including services for people with HIV infection and AIDS, area based grants and capital grants supporting for social care activities and mental health. Advances to local authorities for personal social services specific and special grants are charged to the Estimate at the time of issue and as final grant expenditure is not known until local authorities' accounts are audited after the end of the financial year, any necessary adjustments may be made in subsequent advances.

Notes to the Main Estimate (*continued*)

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|--|---------|
| RfR1 /H | NHS Blood and Transplant.♥ | 95,929 |
| RfR1 /H | Commission for Healthcare Audit and Inspection. ♥ | 60,896 |
| RfR1 /H | Council for Healthcare Regulatory Excellence. ♥ | 1,889 |
| RfR1 /H | Post Graduate Medical Education Training Board.♥ | 2,391 |
| RfR1 /H | NHS Professionals ♥ | 15,418 |
| RfR1 /H | NHS Direct ♥ | 8,381 |
| RfR1 /H | NHS Appointments Commission ♥ | 3,297 |
| RfR2/P | Health Protection Agency.♥ | 154,083 |
| RfR2/P | Human Fertilisation and Embryology Authority.♥ | 3,469 |
| RfR2/P | General Social Care Council.♥ | 10,915 |
| RfR2/P | Commission for Social Care Inspection ♥ | 76,411 |
| RfR2/P | National Biological Standards Board. ♥ | 17,796 |
| RfR3/A | Office of the Independent Regulator for NHS foundation trusts. ♥ | 15,674 |

Notes to the Main Estimate (*continued*)

Contingent liabilities

| Nature of Liability | £'000 |
|---|----------------|
| RfR1 | |
| Statutory contingent liabilities exists to meet: | |
| i) an indemnity to water undertakers in respect of costs, damages, and expenses not otherwise covered by insurance arising from claims or proceedings on the grounds of alleged harm to health arising solely from fluoridation; and | Unquantifiable |
| ii) overdraft guarantees for NHS trusts | £2 million |
| Non-statutory contingent liabilities | |
| i) a letter which the Department sent to the Association of British Health Care Industries on 9 June 1992 may be construed as a letter of comfort in respect of contracts entered into by NHS trusts and hence result in a non-statutory liability. The letter was withdrawn on 17 August 1993, but a residual contingent liability may remain in respect of contracts entered into between the issue of the letter and its withdrawal. | Unquantifiable |
| ii) the Department has undertaken to meet the legal and other costs of medical and nursing staff engaged on clinical trials approved by the National Blood Authority (NBA) of new blood products manufactured by the Bio-Products Laboratory, a part of the NBA, and the costs of any claims for damages from patients arising from clinical trials of the new products (NBA is now part of NHS Blood and Transplant); | Unquantifiable |
| iii) an indemnity to water undertakers in respect of costs, damages and expenses not otherwise covered by insurance arising from claims or proceedings on the grounds of alleged harm to health arising solely from supplying water which has been fluoridated by another water undertaker and which therefore is not covered by the statutory guarantee; | Unquantifiable |
| iv) an indemnity to higher education providers to cover a proportion of any redundancy costs, which may arise in respect of pre-registration nurse education which has now moved to the higher education sector, should a contract of education not be renewed. | £60 million |
| v) in the event of a nuclear emergency it would be necessary to distribute stable iodine tablets to the general public to prevent take up of radioactive iodine. The Department has undertaken to indemnify those other than qualified medical personnel distributing the tablets against any action resulting from adverse reactions; and | Unquantifiable |
| vi) the Department has given an undertaking to pay legal or other costs of any damage claims arising from infections contracted by foreign nationals through contaminated blood products. These claims, should they arise, would result from a contract between the Bio-Products Laboratory (part of the National Blood Authority) and the Canadian company Haemacure for the manufacture of a plasma-based fibrin sealant product. The product would be sold exclusively in the USA. | Unquantifiable |

| | |
|--|----------------|
| viii) indemnity into the side effects arising from the use of smallpox vaccine. | £90 million |
| RfR2 | |
| Statutory contingent liabilities: | |
| i) the Department has issued an exemption certificate to the National Radiological Protection Board in respect of any liability to its employees of the kind mentioned in section (1) of the Employers' Liability (Compulsory Insurance) Act 1969 (NRPB is now part of Health Protection Agency); and | Unquantifiable |
| ii) the Department has issued an exemption certificate to the National Biological Standards Board in respect of any liability to its employees of the kind mentioned in section (1) of the Employers' Liability (Compulsory Insurance) Act 1969. | Unquantifiable |
| Non-statutory contingent liabilities: | |
| i) the Department has undertaken to meet the cost of compensation payments arising from claims for injury arising from the immunisation of voluntary donors with specialised immunoglobulin subsequently harvested and used in the treatment of new-born babies; | Unquantifiable |
| ii) an indemnity for members of the independent inquiry into the backlog of histopathology samples at the Royal National Orthopaedic Hospital NHS Trust. The Department has given an undertaking to grant an indemnity in relation to any legal action against the chairman and members of the inquiry team; | Unquantifiable |
| iii) Indemnity for the Royal College of Physicians (RCP) review of Breakspear Hospital. The Department has given an undertaking to grant an indemnity to any legal action against the members of the review team. | Unquantifiable |
| iv) To cover any damages arising from NBA research activity. NBA is now NHS Blood and Transplant. | Unquantifiable |
| v) Indemnity for the QC conducting the alternative disputes resolution procedure into complaints raised against the NHS. The department has given an undertaking to grant an indemnity in relation to any legal action against the QC conducting the procedure. | Unquantifiable |
| vi) Associated health costs with the Olympics in 2012 | £5 million |

Notes to the Main Estimate (*continued*)**International Subscriptions**

| RfR/Section | Body | £'000 |
|--------------------|---|--------------|
| RfR2 /C | The UK subscription to the World Health Organisation. | 17,459 |

National Health Service Pension Scheme

Introduction

1. This Estimate covers the payment of pensions and other benefits to persons covered by the National Health Service (NHS) Pension Scheme. The rules of the scheme are set out in the National Health Service Pensions Scheme Regulations 1995 (as amended) and 2008.
2. Membership of the scheme is open to most employees in the NHS and for doctors and dentists in general practice and the benefits include payments to widows, widowers and dependants of participants who die in service or retirement. Provision is also made for refunds of contributions to early leavers, and for the payment and receipt of transfer payments in respect of persons moving out of and into employments covered by the scheme.
3. The Estimate includes the increase payable in accordance with the Annual Review Orders made under section 59 of the Social Security Pension Act 1975. The scheme is notionally funded for the basic benefits and pensions increase. Part of the scheme's income consists of receipts from contributions (both employer and employee), capitalised payments for early retirements and transfers from other pension schemes. These are appropriated in aid of the Estimate to offset the expenditure of benefits.
4. The NHS Business Services Authority Pensions Division is responsible for administering the scheme. The related running costs are borne on the Department of Health Estimate.
5. Symbols are explained in the Introduction to the booklet.

National Health Service Pension Scheme

Part I

| | £ |
|--|-----------------------|
| Request for Resources 1: National Health Service Pension Scheme | 14,071,096,000 |
| Total net resource requirement | 14,071,096,000 |
| Net cash requirement | 1,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the National Health Service Pension Scheme on:

RfR 1: National Health Service Pension Scheme

Pensions, allowances, gratuities, transfers to alternative pension arrangements, refunds of contributions, compensation for early retirement, to or in respect of persons engaged in health services or in other approved employment, and associated non-cash items.

The **National Health Service Pension Scheme** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-----------------------|------------------------------------|------------------------|
| RfR 1 | 14,071,096,000 | 6,437,152,000 | 7,633,944,000 |
| Total net resource requirement | 14,071,096,000 | 6,437,152,000 | 7,633,944,000 |
| Net cash requirement | 1,000 | - | 1,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | | |
|---|------------------|------------|-------------|------------|------------|----------------------|--------------------|------------|------------|------------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| RfR 1: National Health Service Pension Scheme | | | | | | | | | | |
| - | - | 21,615,699 | 21,615,699 | 7,544,603 | 14,071,096 | - | - | 14,304,784 | 10,226,125 | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| A Pensions | - | - | 21,615,699 | 21,615,699 | 7,544,603 | 14,071,096 | - | - | 14,304,784 | 10,226,125 |
| Total for Estimate: | | | | | | | | | | |
| - | - | 21,615,699 | 21,615,699 | 7,544,603 | 14,071,096 | - | - | 14,304,784 | 10,226,125 | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 14,071,096 | 14,304,784 | 10,226,125 |
| Voted capital items | | | |
| Capital | - | - | - |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | - | - | - |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | - | - | - |
| Depreciation | - | - | - |
| New provisions and adjustments to previous provisions | -21,615,699 | -21,850,884 | -17,270,000 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | - |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | -15,000 | 39,253 | 81,137 |
| Increase (-) / Decrease (+) in creditors | 51,104 | 392,258 | -493,219 |
| Use of provisions | 5,708,500 | 4,881,856 | 4,461,791 |
| Total accruals to cash adjustments | -15,871,095 | -16,537,517 | -13,220,291 |
| Excess cash to be CFERd | 1,800,000 | 2,232,734 | 2,994,166 |
| Net Cash Requirement | 1 | 1 | - |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|------------------|------------------|------------------|----------------|------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | - | - |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | 604 | 604 |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | <i>1,800,000</i> | - | <i>2,232,734</i> | - | <i>2,994,166</i> |
| Total | - | 1,800,000 | - | 2,232,734 | 604 | 2,994,770 |

Forecast Combined Revenue Account

| | £'000 | | |
|----------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Programme Costs | | | |
| RfR 1 | 14,071,096 | 14,304,784 | 10,226,125 |
| <i>of which:</i> | | | |
| Income | | | |
| Contributions received | 7,304,603 | 7,201,100 | 6,706,920 |
| Transfers in | 125,000 | 125,000 | 109,635 |
| Other income receivable | 115,000 | 220,000 | 227,320 |
| Total Income | 7,544,603 | 7,546,100 | 7,043,875 |
| Expenditure | | | |
| Increase in liability | 9,864,564 | 11,629,814 | 8,290,000 |
| Interest on scheme liability | 11,751,135 | 10,221,070 | 8,980,000 |
| Other expenditure | - | - | - |
| Total Expenditure | 21,615,699 | 21,850,884 | 17,270,000 |
| Total Net Programme costs | 14,071,096 | 14,304,784 | 10,226,125 |
| Total Net Operating Cost | 14,071,096 | 14,304,784 | 10,226,125 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 14,071,096 | 14,304,784 | 10,226,125 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 14,071,096 | 14,304,784 | 10,226,125 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 14,071,096 | 14,304,784 | 10,226,125 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 14,071,096 | 14,304,784 | 10,226,125 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 14,071,096 | 14,304,784 | 10,226,125 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | 14,071,096 | 14,304,784 | 10,226,125 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | - | - | - |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Nick Scholte, Chief Executive of the NHS Business Service Authority

Nick Scholte as the Accounting Officer of the National Health Service Pension Scheme has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the National Health Service Pension Scheme.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: National Health Service Pension Scheme | | | |
| Programme | 7,544,603 | 7,546,100 | 7,043,875 |
| <i>of which:</i> | | | |
| Pension scheme related income | 7,544,603 | 7,546,100 | 7,043,875 |
| Total RfR 1 | 7,544,603† | 7,546,100 | 7,043,875 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: superannuation contributions; transfer values; deductions from superannuation contributions and lump sum payments in lieu of graduated contributions; contributions equivalent premiums (CEPs).</i> | | | |
| Total Operating A in A | 7,544,603 | 7,546,100 | 7,043,875 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|---|-----------|--------------------|-----------|--------------------|------------|------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Other amounts collectable on behalf of the Consolidated Fund Δ | - | - | - | - | 604 | 604 |
| Excess cash receipts to be surrendered to the Consolidated Fund Δ | - | 1,800,000 | - | 2,232,734 | - | 2,994,166 |
| Total | | - 1,800,000 | | - 2,232,734 | 604 | 2,994,770 |

Notes to the Main Estimate (*continued*)

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £14,071,096,000 is 1.6 per cent lower than the final net provision for 2007-08 of £14,304,784,000 and 0.3 per cent higher than the forecast outturn for 2007-08 of £14,022,055,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 7,544,603 | 7,546,100 | 7,043,875 |

Food Standards Agency

Introduction

1. This Estimate provides for expenditure by the Food Standards Agency (FSA). The purpose is to protect public health from risks which may arise in connection with the consumption of food, and to otherwise protect the interests of consumers in relation to food.
2. The FSA was established as a non-Ministerial department on 1 April 2000. The FSA has an executive agency, the Meat Hygiene Service, responsible for safeguarding public health and animal welfare at licensed fresh meat premises.
3. Symbols are explained in the Introduction to this booklet.

Food Standards Agency

Part I

| | £ |
|--|--------------------|
| Request for Resources 1: Protecting and promoting public health in relation to food | 137,088,000 |
| Total net resource requirement | 137,088,000 |
| Net cash requirement | 135,680,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Food Standards Agency on:

RfR 1: Protecting and promoting public health in relation to food

Administration, inspections, surveillance, managing research and development, education, publicity and publications, funding for non-cash items; funding for Meat Hygiene Service.

The **Food Standards Agency** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|--------------------|---------------------------------|------------------------|
| RfR 1 | 137,088,000 | 64,751,000 | 72,337,000 |
| Total net resource requirement | 137,088,000 | 64,751,000 | 72,337,000 |
| Net cash requirement | 135,680,000 | 63,778,000 | 71,902,000 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|--|-------------------------------------|--------|-------------|--------|-----------|------------------------------|------------------------------|----------------------------|-----------|--------------|--|
| 2008-09 Provision | | | | | | | 2007-08 Provision | 2006-07 Outturn | | | |
| Resources | | | | | | Capital Non- operating | | Net Total | Net Total | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 1: Protecting and promoting public health in relation to food | | | | | | | | | | | |
| 50,939 | 139,383 | - | 190,322 | 53,234 | 137,088 | 631 | - | 152,392 | 142,942 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Food Standards Agency HQ Operations | | | | | | | | | | |
| 50,939 | 57,383 | - | 108,322 | 3,234 | 105,088 | 306 | - | 112,992 | 109,652 | | |
| B | Meat Hygiene Service | | | | | | | | | | |
| - | 82,000 | - | 82,000 | 50,000 | 32,000 | 325 | - | 39,400 | 33,290 | | |
| Total for Estimate: | | | | | | | | | | | |
| 50,939 | 139,383 | - | 190,322 | 53,234 | 137,088 | 631 | - | 152,392 | 142,942 | | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 137,088 | 152,392 | 142,942 |
| Voted capital items | | | |
| Capital | 631 | 1,947 | 924 |
| Less Non-operating A-in-A | - | - | 65 |
| Total net voted capital | 631 | 1,947 | 859 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | 600 | -762 | 1,719 |
| Depreciation | -1,955 | -2,004 | -2,142 |
| New provisions and adjustments to previous provisions | -1,284 | - | -5,826 |
| Profit/loss on sale of assets | - | - | 15 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -100 | -42 | -98 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | 9,000 | -4,281 |
| Use of provisions | 700 | - | - |
| Total accruals to cash adjustments | -2,039 | 6,192 | -10,613 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 135,680 | 160,531 | 133,188 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 50,439 | 56,515 | 48,837 |
| Total Net Administration costs | 50,439 | 56,515 | 48,837 |
| Net Programme Costs | | | |
| RfR 1 | 86,649 | 95,877 | 94,105 |
| Total Net Programme costs | 86,649 | 95,877 | 94,105 |
| Total Net Operating Cost | 137,088 | 152,392 | 142,942 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 137,088 | 152,392 | 142,942 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 137,088 | 152,392 | 142,957 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 137,088 | 152,392 | 142,942 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 137,088 | 152,392 | 142,942 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | 15 |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 137,088 | 152,392 | 142,957 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 137,088 | 152,392 | 142,957 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 631 | 1,947 | 859 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 631 | 1,947 | 859 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 631 | 1,947 | 859 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Tim Smith ,Chief Executive of the Food Standards Agency

Tim Smith as the Accounting Officer of the Food Standards Agency has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Food Standards Agency.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Protecting and promoting public health in relation to food | | | |
| Administration | 500 | 500 | 176 |
| <i>of which:</i> | | | |
| Sale of goods and services | 500 | 500 | 176 |
| Programme | 52,734 | 68,034 | 47,032 |
| <i>of which:</i> | | | |
| Sale of goods and services | 52,734 | 68,034 | 47,032 |
| Total RfR 1 | 53,234† | 68,534 | 47,208 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: fees for slaughterhouse hygiene inspections, radioactive waste disposal inspections, milk and dairies inspections, government funded controls and miscellaneous receipts including the proceeds from the sale of assets.</i> | | | |
| Total Operating A in A | 53,234 | 68,534 | 47,208 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Protecting and promoting public health in relation to food | | | |
| Programme | - | - | 65 |
| <i>of which:</i> | | | |
| Sale of assets | - | - | 65 |
| Total RfR 1 | - | - | 65 |
| Total Non-Operating A in A | - | - | 65 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|---------|-----------|---------|
| | Voted | Non-voted | Total |
| Resource DEL | 137,088 | - | 137,088 |
| <i>of which: †</i> | | | |
| Administration budget | 50,439 | - | 50,439 |
| Near-cash in RDEL | 134,349 | 700 | 135,049 |
| Capital DEL †† | 631 | - | 631 |
| Less Depreciation ††† | -1,955 | - | -1,955 |
| Total DEL | 135,764 | - | 135,764 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £137,088,000 is 10.0 per cent lower than the final net provision for 2007-08 of £152,392,000 and 7.9 per cent lower than the forecast outturn for 2007-08 of £148,881,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 53,234 | 68,534 | 47,273 |

Department for Transport

Introduction

1. This Estimate provides for expenditure by the Department for Transport in pursuit of the functions reflected in the section headings. It also provides for administrative expenditure by those bodies used in implementing and evaluating policy and on central services.
2. More details about the expenditure supporting the department's objectives are set out in the departmental report to be published later in the year.
3. Request for resources includes provision for the Driver and Vehicle Licensing Agency, Vehicle and Operator Services Agency, Vehicle Certification Agency, Driving Standards Agency, Highways Agency, Maritime and Coastguard Agency, Government Car and Despatch Agency, and Grant-in-Aid funding of non-departmental public bodies and public corporations.
4. Symbols are explained in the Introduction to this booklet.

Department for Transport

Part I

| | £ |
|---|-----------------------|
| Request for Resources 1: Transport that works for everyone | 15,149,773,000 |
| Total net resource requirement | 15,149,773,000 |
| Net cash requirement | 12,275,144,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Department for Transport on:

RfR 1: Transport that works for everyone

Ports and shipping services; the National Ports Council Pension and Compensation schemes; freight grants; the Maritime and Coastguard Agency; civil and international aviation services including costs relating to type approval testing of electronic screening devices for use in enforcing aviation provisions of the Railways and Transport Safety Act 2003; support for and loans to National Air Traffic Services; the Highways Agency; payments to private consortia for design, build, finance and operate schemes; grants to local authorities, including the Greater London Authority and Merseyrail;

payments to local authorities for the maintenance of de-trunked roads and promotion, publicity and publications in support of the Highways Agency operations; capital grants to Regional Development Agencies for regional infrastructure; the operation of the Dartford River crossing; compensation to private tolled undertakings for the imposition of VAT on tolls; loans and other expenditure relating to Other River Crossings; Bus Service Operator Grant; expenditure in connection with the introduction of concessionary Bus Travel for older and eligible disabled people in England;

promoting efficiencies in sustainable distribution; support to nationalised transport industries; Powershift and CleanUp programmes; low carbon transport; Transport Direct; royal travel; transport security; the Commission for Integrated Transport; trans-European network funds; support for other minor transport services; compensation and pension costs relating to pre-DVLC local authority driver and licensing staff; grants and loans and other expenditure relating to the Driver and Vehicle Licensing Agency (trading fund);

Driver and Vehicle Licensing Agency Vehicle excise duty collection and enforcement related activities, development and operation of systems associated with licensing; Vehicle and Operator Services Agency (trading fund); Vehicle and Operator services Agency enforcement; Driving Standards Agency (trading fund); Vehicle Certification Agency; Vehicle Certification Agency enforcement; grants to London Underground; PPP Arbiter; the Channel Tunnel Rail Link; Cross London Rail Links Limited; National Freight Company travel concessions; railway industry and National Freight Company pension funds;

the British Transport Police; the Renewable Fuels Agency; payments and financial assistance in respect of railways and railways services under Section 6 of the Railways Act 2005; accident investigation; research, development, statistics, censuses and surveys, safety, accessibility and equalities, publicity, promotion and advice and publications, monitoring, consultancies, selling into wider markets, including export opportunities; subscriptions and contributions to international organisations; compensation; support for the construction of venues and infrastructure related to the Olympic games;

the administration and operation of the department; payments to the Department for Communities and Local Government in respect of certain central services; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; special payments; the central management of, and delivery of services to, the Civil Service and wider public sector; and associated non-cash items.

The **Department for Transport** will account for this Estimate.

£

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-----------------------|------------------------------------|------------------------|
| RfR 1 | 15,149,773,000 | 6,371,846,000 | 8,777,927,000 |
| Total net resource requirement | 15,149,773,000 | 6,371,846,000 | 8,777,927,000 |
| Net cash requirement | 12,275,144,000 | 5,138,819,000 | 7,136,325,000 |

Part II: Subhead detail

£'000

| | | | | | | | | 2007-08 | 2006-07 | | |
|--|--|-----------|-------------|------------|-----------|------------|----------------------|---------------------|---------------------|------------|-----------|
| 2008-09 Provision | | | | | | | | Provision | Outturn | | |
| Resources | | | | | | Capital | | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-operating A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 1: Transport that works for everyone | | | | | | | | | | | |
| | 303,182 | 6,577,883 | 8,655,743 | 15,536,808 | 387,035 | 15,149,773 | 1,364,830 | 23,157 | 16,678,263 | 13,711,159 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Ports and shipping services | - | 86,077 | - | 86,077 | 1,240 | 84,837 | 1,075 | - | 13,359 | 10,416 |
| B | Maritime and Coastguard Agency | - | 139,130 | - | 139,130 | 11,500 | 127,630 | 9,350 | - | 129,337 | 121,398 |
| C | Aviation services, transport security & royal travel | - | 47,836 | 51,427 | 99,263 | 51,112 | 48,151 | 2,497 | - | 38,194 | 32,936 |
| D | Accident Investigation Branches | - | 17,603 | - | 17,603 | 70 | 17,533 | 1,510 | - | 15,878 | 14,809 |
| E | Trans European network payments for transport projects (net) | - | - | 3 | 3 | - | 3 | - | - | 3 | - |
| F | Cleaner Fuels and Vehicles | - | 10,947 | 19,700 | 30,647 | - | 30,647 | 3,000 | - | 17,700 | 13,180 |
| G | Bus Service Operators Grant | - | 426,562 | - | 426,562 | - | 426,562 | - | - | 413,521 | 370,325 |
| H | Tolled River Crossings | - | 15,020 | - | 15,020 | 87,020 | -72,000 | - | - | -57,883 | -56,509 |
| I | Accessibilty & Equalities | - | 2,460 | 3,800 | 6,260 | - | 6,260 | - | - | 6,022 | 4,333 |
| J | Support construction of venues and infrastructure related to the Olympic Games | - | - | 101,300 | 101,300 | - | 101,300 | - | - | - | - |
| K | Commission for Integrated Transport & Transport Direct | - | 16,541 | - | 16,541 | - | 16,541 | 1,500 | - | 18,870 | 13,017 |
| L | Highways Agency | 89,943 | 1,616,194 | - | 1,706,137 | 12,181 | 1,693,956 | 1,274,662 | 11,057 | 1,812,286 | 1,769,100 |
| M | Railways | - | 109,941 | 3,645,635 | 3,755,576 | 181,200 | 3,574,376 | - | - | 3,793,841 | 3,930,714 |
| N | Government Car & Despatch Agency | 20,632 | - | - | 20,632 | 20,632 | - | 1,361 | - | - | -115 |
| O | Freight grants | - | 5,300 | 25,032 | 30,332 | - | 30,332 | - | - | 18,228 | 28,849 |

Part II: Subhead detail

£'000

| | | | | | | | | | | 2007-08 | 2006-07 | |
|-----------|--|-----------|-------------|-----------|-----------|-----------|---------------|-----------|-----------|-----------|-----------|--|
| | | | | | | | | | | Provision | Outturn | |
| | | | | | | | | | | 2008-09 | | |
| | | | | | | | | | | Provision | | |
| Resources | | | | | | Capital | | | | | | |
| Admin | Other | Grants | Gross Total | A in A | Net Total | Capital | Non-operating | Net Total | Net Total | | | |
| 1 | Current | 3 | 4 | 5 | 6 | 7 | A in A | Resources | Resources | 9 | 10 | |
| P | Transformation, Licensing, Logistics & Sponsorship | | | | | | | | | | | |
| | - | 4,673 | - | 4,673 | - | 4,673 | 7,339 | - | 22,157 | | 18,518 | |
| Q | Vehicle & Operator Services Agency trading fund | | | | | | | | | | | |
| | - | 12,500 | - | 12,500 | 5,100 | 7,400 | 28,000 | 7,900 | 2,159 | | 931 | |
| R | Driving Standards Agency trading fund | | | | | | | | | | | |
| | - | 2,000 | - | 2,000 | 3,500 | -1,500 | 23,200 | 4,200 | -805 | | 1,593 | |
| S | Vehicle Certification Agency | | | | | | | | | | | |
| | - | 12,800 | - | 12,800 | 12,900 | -100 | 300 | - | 112 | | -35 | |
| T | Central Administration | | | | | | | | | | | |
| | 192,607 | 2,615 | - | 195,222 | 505 | 194,717 | 10,000 | - | 217,146 | | 196,769 | |
| U | Research, statistics, publicity and consultancies & other services for roads and local transport | | | | | | | | | | | |
| | - | 69,581 | 11,194 | 80,775 | 75 | 80,700 | 1,036 | - | 73,490 | | 44,394 | |
| | <i>Vehicle Excise Duty enforcement</i> | | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - | | -17,076 | |
| | Support for Local Authorities | | | | | | | | | | | |
| V | Area Based Grants | | | | | | | | | | | |
| | - | - | 239,364 | 239,364 | - | 239,364 | - | - | 251,916 | | 105,270 | |
| W | GLA transport grants (resource) | | | | | | | | | | | |
| | - | - | 2,478,000 | 2,478,000 | - | 2,478,000 | - | - | 2,396,500 | | 2,638,305 | |
| X | Other transport grants (resource) | | | | | | | | | | | |
| | - | - | 624,071 | 624,071 | - | 624,071 | - | - | 403,994 | | 365,732 | |
| Y | Other transport grants (capital) | | | | | | | | | | | |
| | - | - | 895,517 | 895,517 | - | 895,517 | - | - | 935,706 | | 277,097 | |
| | <i>Speed and red-light camera enforcement</i> | | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - | | -164 | |
| | <i>Other grants to GLA</i> | | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | 150,000 | | - | |
| | Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| | Central Government spending | | | | | | | | | | | |
| Z | Highways Agency | | | | | | | | | | | |
| | - | 3,979,603 | - | 3,979,603 | - | 3,979,603 | - | - | 3,595,924 | | 3,337,110 | |
| AA | Railways and other expenditure | | | | | | | | | | | |
| | - | 500 | - | 500 | - | 500 | - | - | 100,750 | | -22,195 | |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | | | | 2007-08 Provision | 2006-07 Outturn | |
|----------------------------|--|----------------|------------------|------------------|-------------------|-----------------------|-------------------|---------------------|---------------------|-------------------|-------------------|
| Resources | | | | | | Capital Non-operating | | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| Non-Budget | | | | | | | | | | | |
| AB | Driver & Vehicle Licensing Agency trading fund | - | - | 260,200 | 260,200 | - | - | 268,858 | 264,981 | | |
| AC | Grant in Aid Funding of NDPB's & PC's | - | - | 27,000 | 27,000 | - | - | 183,000 | 243,376 | | |
| AD | Other Grants to GLA | - | - | 273,500 | 273,500 | - | - | 1,858,000 | - | | |
| | <i>Strategic Rail Authority</i> | - | - | - | - | - | - | - | 4,100 | | |
| Total for Estimate: | | | | | | | | | | | |
| | | 303,182 | 6,577,883 | 8,655,743 | 15,536,808 | 387,035 | 15,149,773 | 1,364,830 | 23,157 | 16,678,263 | 13,711,159 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 15,149,773 | 16,678,263 | 13,711,159 |
| Voted capital items | | | |
| Capital | 1,364,830 | 1,202,929 | 1,197,198 |
| Less Non-operating A-in-A | 23,157 | 70,191 | 23,915 |
| Total net voted capital | 1,341,673 | 1,132,738 | 1,173,283 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -2,960,553 | -2,868,716 | -2,695,716 |
| Depreciation | -1,377,808 | -1,047,695 | -880,972 |
| New provisions and adjustments to previous provisions | -66,896 | -216,130 | -567,232 |
| Profit/loss on sale of assets | - | - | -1,029 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -725 | -816 | -1,045 |
| Increase (+) / Decrease (-) in stock | - | - | 1,616 |
| Increase (+) / Decrease (-) in debtors | - | - | 55,577 |
| Increase (-) / Decrease (+) in creditors | - | -192,517 | -232,983 |
| Use of provisions | 189,680 | 189,152 | 1,096,535 |
| Total accruals to cash adjustments | -4,216,302 | -4,136,722 | -3,225,249 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 12,275,144 | 13,674,279 | 11,659,193 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|----------------------|-----------------------|----------------------|-----------------------|--------------------|-----------------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | 1,950 | <i>1,950</i> | 11,339 | <i>11,339</i> | 28,094 | <i>28,094</i> |
| Non-operating income not classified as A in A | 1,811 | <i>1,811</i> | 1,662 | <i>1,662</i> | 4,231 | <i>4,231</i> |
| Other amounts collectable on behalf of the Consolidated Fund | 110,000 | <i>110,000</i> | 109,577 | <i>109,577</i> | 134,046 | <i>134,046</i> |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | <i>-</i> | - | <i>-</i> | - | <i>-</i> |
| Total | 113,761 | <i>113,761</i> | 122,578 | <i>122,578</i> | 166,371 | <i>166,371</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 281,527 | 293,026 | 281,186 |
| Total Net Administration costs | 281,527 | 293,026 | 281,186 |
| Net Programme Costs | | | |
| RfR 1 | 14,868,246 | 16,375,237 | 13,413,344 |
| Non-voted | -1,950 | -1,339 | -10,782 |
| Total Net Programme costs | 14,866,296 | 16,373,898 | 13,402,562 |
| Total Net Operating Cost | 15,147,823 | 16,666,924 | 13,683,748 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 15,149,773 | 16,678,263 | 13,711,159 |
| Non-voted expenditure | - | - | 683 |
| Consolidated Fund Extra Receipts | -1,950 | -11,339 | -28,094 |
| Resource Budget | 10,335,613 | 10,593,574 | 10,235,443 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 15,149,773 | 16,678,263 | 13,711,159 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | 683 |
| Consolidated Fund Extra Receipts in the OCS | -1,950 | -11,339 | -28,094 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 15,147,823 | 16,666,924 | 13,683,748 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -1,029 |
| Capital grants | -4,872,607 | -6,190,749 | -3,411,967 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | -409 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | 950 | 1,000 | 10,472 |
| Resource consumption of non departmental public bodies | -145,300 | -55,942 | -60,830 |
| Unallocated resource provision | 109,747 | 108,741 | - |
| Other adjustments | 95,000 | 63,600 | 15,458 |
| Resource Budget (Budget) | 10,335,613 | 10,593,574 | 10,235,443 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 6,355,510 | 6,896,900 | 6,920,528 |
| Annually Managed Expenditure (AME) | 3,980,103 | 3,696,674 | 3,314,915 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 1,341,673 | 1,132,738 | 1,173,283 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | -1,811 | -1,662 | -4,231 |
| Capital spending by non-departmental public bodies | 145,300 | 52,059 | 52,141 |
| Capital grants | 4,872,607 | 6,190,749 | 3,411,967 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | 858,300 | 856,457 | 1,372,133 |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | 328,622 | - | - |
| Other adjustments | -251,500 | -1,045,568 | 497,540 |
| Capital Budget (Budget) | 7,293,191 | 7,184,773 | 6,502,833 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 7,293,191 | 7,184,773 | 6,502,833 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Robert Devereux, Permanent Head of Department

Robert Devereux as the Accounting Officer of the Department for Transport has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Transport.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Transport that works for everyone | | | |
| Administration | 21,655 | 28,904 | 30,369 |
| <i>of which:</i> | | | |
| Sale of goods and services | 21,655 | 28,904 | 30,369 |
| Programme | 365,380 | 499,520 | 491,249 |
| <i>of which:</i> | | | |
| Sale of goods and services | 290,660 | 419,945 | 460,899 |
| EU Income | 49,100 | 50,450 | - |
| Interest and dividends | 25,620 | 29,125 | 28,430 |
| Other income (including receipts) | - | - | 1,920 |
| Total RfR 1 | 387,035† | 528,424 | 521,618 |
| <p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: research, statistical and administrative services; fee paying enquiries; dissemination and sales of information, royalties, the loan and hire of equipment, seminars, conferences and publication (in print and non-print media); sponsorship, including contributions from co-sponsors, other government departments, agencies and non-departmental public bodies towards the cost of research, surveys and studies; receipts from the European Union, donations, legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements; receipts for the use of accommodation; rental income and receipts from property and land; the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; fees for driving assessments; charges for vehicle and component testing; recoveries from local authorities in respect of public inquiries into highway orders; the sale of land on completion or abandonment of highway schemes; receipts from Dartford River Crossing Ltd; receipts from claims for damage to motorways and trunk roads; contributions from developers to transport schemes; recoveries of costs of civil aviation services; the sale of civil aviation items; repayments of loans or other payments made to National Air Traffic Services; receipts from the British Transport Police Authority; the Channel Tunnel Rail Link, Eurostar and the Scottish Executive; receipts in respect of railways and railway services; fees and receipts from the surveys of ships, Port State Control inspections, examinations and the certification of seafarers and receipts from the Learning and Skills Council for SmarT seafarer training; recoveries in respect of the International Maritime Organisation building; the Mersey Conservancy; shipping services; ports and associated pension and compensation schemes and receipts from outside organisations in respect of the provision by MAIB staff of investigation expertise and training; Eurocontrol; repayments of deemed and voted loans made to the Driver and Vehicle Licensing Agency receipts in respect of Vehicle Excise duty enforcement activities; Vehicle and Operator Services Agency and the Driving Standards Agency; plus Other River Crossings; payments from the Department for Communities and Local Government in respect of certain central services; receipts from the trading and programme activities of the Government Car and Despatch Agency; and receipts relating to the administration and operation of the department.</p> | | | |
| Total Operating A in A | 387,035 | 528,424 | 521,618 |

Analysis of non-operating appropriations in aid (A in A)

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|---|----------------------|----------------------|--------------------|
| RfR 1: Transport that works for everyone | | | |
| Programme | 23,157 | 70,191 | 23,915 |
| <i>of which:</i> | | | |
| Sale of assets | 11,057 | 16,396 | 9,086 |
| Loan, etc, repayments | 12,100 | 53,795 | 14,829 |
| Total RfR 1 | 23,157† | 70,191 | 23,915 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan or hire of equipment; the sale of motorway service area freeholds; repayments of loans or other payments made to National Air Traffic Services; repayments of loans or other payments made under Section 63 of the Railways Act 1993 to Railtrack plc (in administration); the Channel Tunnel Rail Link; repayments of deemed and voted loans made to the Driver and Vehicle Licensing Agency; Vehicle and Operator Services Agency, the Driving Standards Agency and the British Transport Police Authority.</i> | | | |
| Total Non-Operating A in A | 23,157 | 70,191 | 23,915 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

£'000

| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
|--|----------------------|----------------|----------------------|----------------|--------------------|----------------|
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Bus Service Operator Grants Φ | 1,000 | 1,000 | 300 | 300 | 1,343 | 1,343 |
| Highways Agency Φ | - | - | 10,000 | 10,000 | 16,629 | 16,629 |
| Speed and red light enforcement Φ | - | - | - | - | 6,753 | 6,753 |
| Maritime and Coastguard Agency Φ | 950 | 950 | 1,000 | 1,000 | 982 | 982 |
| Channel Tunnel Φ | - | - | - | - | 2,737 | 2,737 |
| National Air Traffic Services | - | - | - | - | -3 | -3 |
| Central Administration Φ | - | - | 39 | 39 | -347 | -347 |
| Humber Bridge Board Φ | - | - | - | - | 1,082 | 1,082 |
| Tyne tunnel Φ | - | - | - | - | 1,624 | 1,624 |
| Second Mersey tunnel Φ | 1,811 | 1,811 | 1,662 | 1,662 | 1,525 | 1,525 |
| Driver and Vehicle Licensing Agency trading fund Φ | 110,000 | 110,000 | 109,577 | 109,577 | 134,046 | 134,046 |
| Total | 113,761 | 113,761 | 122,578 | 122,578 | 166,371 | 166,371 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|------------|-----------|------------|
| | Voted | Non-voted | Total |
| Resource DEL | 5,905,563 | 449,947 | 6,355,510 |
| <i>of which:</i> † | | | |
| Administration budget | 281,527 | 95 | 281,622 |
| Near-cash in RDEL | 5,435,098 | 634,412 | 6,069,510 |
| Capital DEL†† | 6,045,080 | 1,248,111 | 7,293,191 |
| Less Depreciation††† | -367,765 | -25,092 | -392,857 |
| Total DEL | 11,582,878 | 1,672,966 | 13,255,844 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £15,149,773,000 is 9.2 per cent lower than the final net provision for 2007-08 of £16,678,263,000 and 3.0 per cent higher than the forecast outturn for 2007-08 of £14,712,469,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 410,192 | 598,615 | 545,533 |

Notes to the Main Estimate (*continued*)**Expenditure resting on the sole authority of the Appropriation Act**

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|--------------------|---|--------------|
| RfR1 M | International subscriptions OCED | 500 |
| RfR1 U | Government Office programme expenditure | 550 |
| RfR1 X | Centres of Excellence | 100 |

Notes to the Main Estimate (*continued*)**Grants in aid**

| RfR/Section | Body | £'000 |
|--------------------|--|--------------|
| RfR1 AB | Driver & Vehicle Licensing Agency trading fund | 260,200 |
| RfR1 AC | British Transport Police Authority | 16,000 |
| RfR1 AC | Rail Passenger Council | 4,500 |
| RfR1 AC | London and Continental Railways | 5,000 |
| RfR1 AC | Renewable Fuels Agency | 1,500 |

Notes to the Main Estimate (*continued*)

Contingent liabilities

| Nature of Liability | £'000 |
|--|----------------|
| As at 31 March 2008, the following liabilities fell to be met from the Department's Estimate: | |
| Statutory liabilities: | |
| Channel Tunnel Act 1987, s 25, 26 and 29: potential liabilities in the event of termination of Eurotunnel's concession | 500,000 |
| Marine and Aviation Insurance Act 1952, s 1 : Government war risk reinsurance for British shipowners insuring their vessels with the British Mutual War Risks Associations (Clubs). Under the current agreement with Clubs, the Government provides 95% reinsurance for Queen's Enemy Risks (QER). A contingent liability arises from the continuous QER cover for the hull and machinery value of British flag vessels entered with the Clubs | Above 500,000 |
| Railways Act 1993, sch 11, paragraph 11 : Guarantee to the Trustees of the Railways Pension Scheme (RPS) in respect of any deficit arising in the 1994 Pensioners section of the RPS | 400,000 |
| Land Compensation Act 1973, Part I : Highways Agency: possible obligations in relation to land and property acquisitions | 500,000 |
| Civil Aviation Act 1982, section 14 : Guarantee of Civil Aviation Authority temporary borrowing | 5,000 |
| Railways Act 1993, sch 11, paragraph 11: July 1993 Memorandum of Understanding between Government, BR and pension trustees about a Government solvency guarantee for the BR section of the Railways Pension Scheme in the event that section becomes unstable | Unquantifiable |
| Railways Act 1993, s 29(5) : Liabilities within franchise agreements for Train Operating Companies | Unquantifiable |
| Railways Act 1993, s 29(5) : Liabilities in direct agreements with rolling stock companies and others | Unquantifiable |
| Transport Act 2000 : Contingent liabilities arising from signing of new, replacement and extended passenger rail franchise agreements | Above 500,000 |
| Non-statutory liabilities | |
| General Lighthouse Authorities' pension fund | 305,400 |
| Reinstatement of International Maritime Organisation (IMO) building, and abatement of rent, if IMO building destroyed; and rehousing of IMO during rebuilding | 68,000 |
| Channel Tunnel Rail Link - Government guaranteed bonds | 3,750,000 |
| Channel Tunnel Rail Link - track access payments | 630,000 |
| Channel Tunnel Rail Link - guarantee in respect of London & Continental Railway Ltd interest rate hedging arrangements | Unquantifiable |
| An indemnity provided to Network Rail for Crossrail | Unquantifiable |
| Guarantee given to owners of certain properties on the route of proposed Crossrail extension that their properties will be purchased should the Crossrail Hybrid Bill receive Royal Assent | 16,000 |
| North Atlantic Treaty Organisation (NATO) agreement relating to the indemnification of civil aircraft in respect of their use on NATO tasks in times of crises and war | Above 500,000 |
| Guarantees in respect of obligations of Eurostar (UK) Ltd at Ashford international passenger station | 60,000 |
| Letters of comfort have been issued providing an indemnity in relation to legal action taken against the Judge, Counsel, solicitors and secretaries to the Thames Safety Inquiry and the Victim Identification Inquiry following major transport disasters | Unquantifiable |

| | |
|--|----------------|
| The Air Travel Trust, which is administered by the Civil Aviation Authority as Trustees, provides protection for air-package holiday makers in the event of a collapse of tour operators whose statutory bonds are insufficient to meet claims. A Government guarantee has been given to the Fund so that the Trustees may borrow from the banks, if the need arises | Unquantifiable |
| Letters of comfort in relation to London Underground Limited obligations under PPP contracts | Above 500,000 |
| Network Rail Debt Issuance Programme (DIP) - Financial Indemnity provided for holders of debt raised under NR's DIP against any cash shortfall at NR to meet debt service payments | 13,400,000 |
| Network Rail - Medium Term Note Programme | 4,900,000 |
| Network Rail - Long Term Contingent Support Facility | 4,000,000 |
| Channel Tunnel usage contract - possible arbitration award to Eurotunnel | 500,000 |
| Docklands Light Railway Lewisham Extension guarantee - a guarantee to the PFI concessionaire for the continued operation of the DLR Lewisham Extension, City Greenwich Lewisham Rail Link plc and to meet its obligations accruing during the concession period (which will end in 2021) unless the DLR was privatised or the concession terminated | 500,000 |
| FP6 ERA-NET Transport project - compensation payments to non-defaulting partners in the event of the failed project | 2,600 |
| National Air Traffic Services - Private Public Partnership contractual obligations | 760,000 |
| International Oil Pollution Compensation Fund Building - obligations under the agreement to fund alternative accommodation in the event of the building becoming partially or completely destroyed | 1,000 |
| Other contingent liabilities, including legal claims | 1,213,000 |

Notes to the Main Estimate (*continued*)**International Subscriptions**

| RfR/Section | Body | £'000 |
|--------------------|---|--------------|
| RfR1 B | Maritime and Coastguard Agency | 1,000 |
| RfR1 C | International Civil Aviation Organisation | 2,000 |

Office of Rail Regulation

Introduction

1. This Estimate provides for expenditure for the Office of Rail Regulation (ORR) on the ambits of:

- a) administration, associated capital and other related costs (i.e. economic regulation); and
- b) Rail Safety Regulation.

Further details of the expenditure covered by the requests for resources can be found in the combined Annual Report and Resource Accounts for the Office of Rail Regulation to be published later this year.

2. ORR, as the combined economic and safety regulator, is responsible for railway health and safety matters and the regulation of access to railways and promotion of competition in the provision of rail services. It is also responsible for promoting efficiency and economy for those providing railway services and protecting the interests of railway service users.

3. ORR's expenditure in respect of economic regulation is offset by income from Network Rail Infrastructure Limited in the form of licence fee payments. Expenditure in respect of safety regulation is either recovered from railway services providers by means of a levy based on relevant turnover or from recovery of cost incurred by the Channel Tunnel Safety Authority (CTSA).

4. Symbols are explained in the Introduction to this booklet.

Office of Rail Regulation

Part I

| | £ |
|--|----------------|
| Request for Resources 1: To create a better railway for passengers and freight, and better value for public funding authorities though independent, fair and effective regulation | 2,000 |
| Total net resource requirement | 2,000 |
| Net cash requirement | 319,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Office of Rail Regulation on:

RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities though independent, fair and effective regulation

Administration, capital expenditure and associated non-cash items

The **Office of Rail Regulation** will account for this Estimate.

| | £ | | |
|---------------------------------------|----------------|------------------------------------|------------------------|
| | Net total | Allocated in Vote on Account | Balance to complete |
| RfR 1 | 2,000 | - | 2,000 |
| Total net resource requirement | 2,000 | - | 2,000 |
| Net cash requirement | 319,000 | - | 319,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|--|--------|-------------|--------|-----------|----------------------|-----------------------------|------------------------|------------------------|
| Resources | | | | | | Capital | | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non- operating A in A | Net Total Resources | Net Total Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation | | | | | | | | | |
| 31,844 | - | 40 | 31,884 | 31,882 | 2 | 750 | - | 2 | 299 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Administration, associated capital and other expenditure | | | | | | | | |
| 14,038 | - | 40 | 14,078 | 14,077 | 1 | 750 | - | 1 | 66 |
| B | Rail Safety Regulation | | | | | | | | |
| 17,806 | - | - | 17,806 | 17,805 | 1 | - | - | 1 | 233 |
| Total for Estimate: | | | | | | | | | |
| 31,844 | - | 40 | 31,884 | 31,882 | 2 | 750 | - | 2 | 299 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 2 | 2 | 299 |
| Voted capital items | | | |
| Capital | 750 | 750 | 769 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 750 | 750 | 769 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | 71 | -119 | 34 |
| Depreciation | -1,065 | -961 | -1,162 |
| New provisions and adjustments to previous provisions | -55 | -25 | -341 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | -35 | -35 | -35 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | 5,178 | - |
| Use of provisions | - | 6 | 892 |
| Total accruals to cash adjustments | -1,084 | 4,044 | -612 |
| Excess cash to be CFERd | 651 | - | 478 |
| Net Cash Requirement | 319 | 4,796 | 934 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|----------------------|-----------------|----------------------|-----------------|--------------------|-----------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | - | - |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | <i>651</i> | - | - | - | <i>478</i> |
| Total | - | 651 | - | - | - | 478 |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 2 | 2 | 299 |
| Total Net Administration costs | 2 | 2 | 299 |
| Total Net Operating Cost | 2 | 2 | 299 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 2 | 2 | 299 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 2 | 2 | -890 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 2 | 2 | 299 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 2 | 2 | 299 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | -1,189 |
| Resource Budget (Budget) | 2 | 2 | -890 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 2 | 2 | -890 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 750 | 750 | 769 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | 1,213 |
| Capital Budget (Budget) | 750 | 750 | 1,982 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 750 | 750 | 1,982 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Bill Emery, Permanent Head of Department

Bill Emery as the Accounting Officer of the Office of Rail Regulation has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office of Rail Regulation.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities though independent, fair and effective regulation | | | |
| Administration | 31,882 | 32,702 | 29,179 |
| <i>of which:</i> | | | |
| Regulatory licences, fines, penalties and taxes | 31,882 | 32,702 | 29,179 |
| Total RfR 1 | 31,882† | 32,702 | 29,179 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: recoveries in respect of the administration of the Office of Rail Regulation, including charges for courses, officers loaned to other organisations; income from publications and Library service; travel costs recovered from the European Community (EC); income from recovery actions in connection with the successful outcome of Judicial review; and receipts of licence fees.</i> | | | |
| Total Operating A in A | 31,882 | 32,702 | 29,179 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Excess cash surrendered to the Consolidated Fund ● | - | 651 | - | - | - | 478 |
| Total | - | 651 | - | - | - | 478 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|--------|-----------|--------|
| | Voted | Non-voted | Total |
| Resource DEL | 2 | - | 2 |
| <i>of which:†</i> | | | |
| Administration budget | 2 | - | 2 |
| Near-cash in RDEL | -1,082 | - | -1,082 |
| Capital DEL†† | 750 | - | 750 |
| Less Depreciation††† | -1,065 | - | -1,065 |
| Total DEL | -313 | - | -313 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £2,000 is the same as the final net provision for 2007-08 of £2,000 and the forecast outturn for 2007-08.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 31,882 | 32,702 | 29,179 |

Department for Innovation, Universities and Skills

Introduction

1. This Estimate consists of two Request for Resources.

RfR1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.

RfR2: Increasing scientific excellence in the UK and maximising its contribution to society.

2. The Estimate covers expenditure on functions relating to higher education, skills and training, and the promotion of scientific excellence. Further details will be given in the Department for Innovation, Universities and Skills annual report.

3. Symbols are explained in the Introduction to this booklet.

Department for Innovation, Universities and Skills

Part I

£

| | |
|--|-----------------------|
| Request for Resources 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.† * | 14,693,465,000 |
| Request for Resources 2: Increasing Scientific excellence in the UK and maximising its contribution to society. | 3,802,181,000 |
| Total net resource requirement | 18,495,646,000 |
| Net cash requirement | 21,003,978,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Department for Innovation, Universities and Skills on:

RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.

Further, higher and other education provision and initiatives for young people and adults; research and related initiatives at institutions delivering higher education; training, skills, enterprise, assessment and advice and guidance provision for young people, adults and employers and related initiatives; financial and other support for students and trainees, including grants, allowances, access funds, loans and their repayment, the resource consequences of loans to students, support for students through Local Authorities; the cost of sales of the student loan debt, reimbursement of fees for qualifying European Community students, post graduate awards, mandatory student awards, education maintenance allowances and childcare

and transport support; investments and loans to support PFI; initiatives and programmes supported by the European Union; international programmes, including payments to the Department of Work and Pensions for the UK subscription to the International Labour Organisation and other international programmes; initiatives to support, improve and promote education, training, skills and student and trainee support; payments to the Department for Business, Enterprise and Regulatory Reform in connection with the Regional Development Agencies and the London Development Agency; innovation and standards, grants in aid and funding for the Higher Education Funding Council for England;

the Learning and Skills Council, Investors in People UK, the Student Loans Company, Office for Fair Access, the Quality Improvement Agency, Sector Skills Development Agency, the UK Commission for Employment and Skills, the Technology Strategy Board, innovation and standards, the Design Council and the British Standards Institute; funding for the Construction Industry Training Board, Engineering Construction Industry Training Board and Film Industry Training Board; UK Intellectual Property Office; National Endowment for Science, Technology and the Arts; National Weights and Measures including the National Weights and Measures Laboratory; Information and publicity initiatives and services;

departmental and others' costs of administering the above; and income relating to the above. Expenditure covers cash, near-cash, capital and non-cash items. Expenditure covers payments, grants and loans to organisations in the public, private and other sectors, including employers, community, voluntary and business support organisations, to individuals and other government departments. Expenditure relates primarily to England, but in some cases includes supporting activities in other parts of the United Kingdom and abroad.

RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society.

Research Councils; the Royal Society; the Royal Academy of Engineering; the British Academy; Research Base Initiatives; the Science Research Investment Fund; promotion of Science in Society; Knowledge Transfer initiatives including the Higher Education Innovation Fund and Public Sector Research Establishments grants; fees payable under the Animals (Scientific Procedures) Act 1986; Research Council pensions; capital and administration costs of the Research Base Group and Government Office for Science; and associated non-cash items.

The **Department for Innovation, Universities and Skills** will account for this Estimate.

† Part of the grant under subhead C3 in RfR1 is subject to the passage of the Sale of Student Loans Bill 2008, which has passed third reading in the House of Commons and is currently in the House of Lords. The provision sought (£4,000,000) will not be used for the service or for any other purpose until the enabling legislation has been enacted.

* In the Vote on Account the RfR title was " To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; achieving excellence in levels of skills; and supporting innovation and standards".

£

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-----------------------|---------------------------------|------------------------|
| RfR 1 | 14,693,465,000 | 5,969,641,000 | 8,723,824,000 |
| RfR 2 | 3,802,181,000 | 1,485,606,000 | 2,316,575,000 |
| Total net resource requirement | 18,495,646,000 | 7,455,247,000 | 11,040,399,000 |
| Net cash requirement | 21,003,978,000 | 8,484,215,000 | 12,519,763,000 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|--|------------|-------------|-----------|------------|-----------|-----------------------------|------------------------|------------------------|-------|--|
| 2008-09 Provision | | | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
| Resources | | | | | | Capital | | | | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non- operating A in A | Net Total Resources | Net Total Resources | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation. | | | | | | | | | | | |
| 70,000 | 1,273,552 | 21,830,985 | 23,174,537 | 8,481,072 | 14,693,465 | 5,929,837 | 1,160,250 | 14,535,587 | 12,529,457 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Activities to Support all Functions | | | | | | | | | | |
| 70,000 | 8,263 | 999 | 79,262 | 28 | 79,234 | 2,000 | - | 73,831 | 64,376 | | |
| B | Higher Education | | | | | | | | | | |
| - | 56,030 | 63,778 | 119,808 | 109 | 119,699 | - | - | 160,655 | 82,042 | | |
| C | Higher Education Support for Students | | | | | | | | | | |
| - | - | 2,225,265 | 2,225,265 | - | 2,225,265 | - | - | 1,889,152 | 1,462,285 | | |
| D | Further Education, Skills and International Programmes | | | | | | | | | | |
| - | 68,965 | 313,370 | 382,335 | 1,699 | 380,636 | - | - | 187,378 | 204,937 | | |
| E | Further Education Receipts from DCSF | | | | | | | | | | |
| - | - | - | - | 7,380,480 | -7,380,480 | - | - | -7,165,188 | -6,696,647 | | |
| F | Science, Innovation and Knowledge Transfer | | | | | | | | | | |
| - | 77,116 | 64,586 | 141,702 | - | 141,702 | 12,731 | - | 149,277 | 244,798 | | |
| <i>Support for Local Authorities</i> | | | | | | | | | | | |
| <i>Higher Education Fees and Awards through Local Education Authorities</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 1,000 | 3,077 | | |
| <i>Science, Innovation and Knowledge Transfer</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 4,191 | - | | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| G | Loans to Students | | | | | | | | | | |
| - | 1,063,178 | 35,578 | 1,098,756 | 1,098,756 | - | 5,915,106 | 1,160,250 | - | -11,218 | | |
| <i>Activities to Support all Functions</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 20,000 | - | | |
| Non-Budget | | | | | | | | | | | |
| H | Higher Education Funding Council for England | | | | | | | | | | |
| - | - | 7,103,038 | 7,103,038 | - | 7,103,038 | - | - | 6,906,411 | 6,627,713 | | |
| I | Office for Fair Access | | | | | | | | | | |
| - | - | 488 | 488 | - | 488 | - | - | 450 | 440 | | |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|----------------------|--|--------|-------------|------------|------------|---------|------------------------------|---|------------------------|------------------------|--------------------|
| 2008-09 Provision | | | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
| Resources | | | | | | | Capital Non- operating | | Net Total Resources | Net Total Resources | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| J | Student Loan Company | - | - | 76,936 | 76,936 | - | 76,936 | - | - | 56,080 | 52,263 |
| K | Investers in People UK | - | - | 6,745 | 6,745 | - | 6,745 | - | - | 5,703 | 5,523 |
| L | Learning and Skills Council | - | - | 11,674,343 | 11,674,343 | - | 11,674,343 | - | - | 11,452,621 | 10,328,177 |
| M | UK Commissioner for Employment and Skills | - | - | 64,884 | 64,884 | - | 64,884 | - | - | 84,285 | 72,739 |
| N | Quality Improvement Agency | - | - | 1,140 | 1,140 | - | 1,140 | - | - | 113,250 | 82,773 |
| O | Design Council | - | - | 6,035 | 6,035 | - | 6,035 | - | - | 6,892 | 6,179 |
| P | Technology Strategy Board | - | - | 193,800 | 193,800 | - | 193,800 | - | - | 205,100 | - |
| | <i>Support for Students</i> | - | - | - | - | - | - | - | - | 384,499 | - |
| | RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society. | - | 42,718 | 3,760,463 | 3,803,181 | 1,000 | 3,802,181 | - | - | 3,413,066 | 2,918,683 |
| | Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | |
| | <i>Central Government spending</i> | | | | | | | | | | |
| A | The Royal Society | - | - | 43,360 | 43,360 | - | 43,360 | - | - | 41,072 | 36,359 |
| B | Royal Academy of Engineering | - | - | 10,279 | 10,279 | - | 10,279 | - | - | 9,752 | 7,885 |
| C | British Academy | - | - | 22,540 | 22,540 | - | 22,540 | - | - | 22,585 | 16,885 |
| D | OSI Initiatives | - | - | 5,875 | 5,875 | - | 5,875 | - | - | 11,105 | 7,738 |
| E | Science and Society | - | - | 13,441 | 13,441 | - | 13,441 | - | - | 11,135 | 9,329 |
| F | Knowledge transfer | - | - | 97,500 | 97,500 | - | 97,500 | - | - | 11,904 | 13,497 |
| G | Science and Research Investment Fund | - | - | 266,711 | 266,711 | - | 266,711 | - | - | 85,348 | 105,300 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|--|---------------|--------------------|---------------|------------------|--|--------------------------------------|--------------------------------|--------------------------------|------------------------------|----------------------------|
| 2008-09 Provision | | | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
| Resources | | | | | | Capital Non- operating A in A | | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non- operating A in A | 9 | 10 | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| H | Biotechnology and Biological Sciences Research Council | | | | | | | | | | |
| | - | - | - | - | 1,000 | -1,000 | - | - | -8,306 | -6,425 | |
| | <i>Science and Engineering Base Administration Costs</i> | | | | | | | | | | |
| | - | - | - | - | - | - | - | 3,500 | 3,381 | | |
| | <i>Transdepartmental Science and Technology Group Administration Costs</i> | | | | | | | | | | |
| | - | - | - | - | - | - | - | 6,625 | 4,521 | | |
| | <i>Joint Infrastructure Fund</i> | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | 964 | | |
| | <i>Cambridge/Massachusetts Institute of Technology</i> | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | 7,729 | | |
| | <i>Foresight LINK Awards</i> | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | 414 | | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| Central Government spending | | | | | | | | | | | |
| I | Research Council's Pension Scheme | | | | | | | | | | |
| | - | 42,543 | - | 42,543 | - | 42,543 | - | - | 27,600 | 17,202 | |
| Non-Budget | | | | | | | | | | | |
| J | Arts and Humanities Research Council | | | | | | | | | | |
| | - | - | 103,492 | 103,492 | - | 103,492 | - | - | 106,343 | 88,256 | |
| K | Biotechnology and Biological Sciences Research Council | | | | | | | | | | |
| | - | - | 409,869 | 409,869 | - | 409,869 | - | - | 392,791 | 376,964 | |
| L | Economic and Social Research Council | | | | | | | | | | |
| | - | - | 164,524 | 164,524 | - | 164,524 | - | - | 135,018 | 140,508 | |
| M | Engineering and Physical Sciences Research Council | | | | | | | | | | |
| | - | - | 785,404 | 785,404 | - | 785,404 | - | - | 739,499 | 637,134 | |
| N | Medical Research Council | | | | | | | | | | |
| | - | - | 577,849 | 577,849 | - | 577,849 | - | - | 526,516 | 503,575 | |
| O | Natural Environment Research Council | | | | | | | | | | |
| | - | - | 365,140 | 365,140 | - | 365,140 | - | - | 354,541 | 340,630 | |
| P | Science and Technology Facilities Council | | | | | | | | | | |
| | - | - | 530,803 | 530,803 | - | 530,803 | - | - | 568,866 | - | |
| Q | Fees Payable under the Animals (Scientific Procedures) Act 1986 | | | | | | | | | | |
| | - | 175 | - | 175 | - | 175 | - | - | 202 | 117 | |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|------------------------------|--|------------------|-------------------|-------------------|------------------|-------------------|-----------------------------|------------------------|------------------------|------------------------------|----------------------------|
| 2008-09 Provision | | | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
| Resources | | | | | | Capital | | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non- operating A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| R | Higher Education Funding Council for England | | | | | | | | | | |
| | - | - | 363,676 | 363,676 | - | 363,676 | - | - | 366,970 | 79,119 | |
| | <i>Particle Physics and Astronomy Research Council</i> | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - | 324,500 | |
| | <i>Council for the Central Laboratory of the Research Councils</i> | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - | 158,283 | |
| | <i>Council for the Central Laboratory of the Research Councils - Diamond Synchrotron</i> | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - | 44,818 | |
| Total for Estimate: | | | | | | | | | | | |
| | 70,000 | 1,316,270 | 25,591,448 | 26,977,718 | 8,482,072 | 18,495,646 | 5,929,837 | 1,160,250 | 17,948,653 | 15,448,140 | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 18,495,646 | 17,948,653 | 15,448,140 |
| Voted capital items | | | |
| Capital | 5,929,837 | 4,964,148 | 3,368,073 |
| Less Non-operating A-in-A | 1,160,250 | 697,366 | 531,292 |
| Total net voted capital | 4,769,587 | 4,266,782 | 2,836,781 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -1,070,451 | -872,302 | -785,172 |
| Depreciation | -3,205 | -24,567 | -2,401 |
| New provisions and adjustments to previous provisions | -1,227,371 | -1,484,726 | -215,528 |
| Profit/loss on sale of assets | - | - | -6 |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | 275,054 | -20 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | -721,000 | - |
| Use of provisions | 39,772 | 48,334 | 36,720 |
| Total accruals to cash adjustments | -2,261,255 | -2,779,207 | -966,407 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 21,003,978 | 19,436,228 | 17,318,514 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------------------|------------------------|------------------------------|------------------------|----------------------------|------------------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | 1,955 | <i>1,955</i> | 1,955 | <i>1,955</i> | 3,011 | <i>3,011</i> |
| Non-operating income not classified as A in A | - | - | 206,850 | <i>191,000</i> | 154,229 | <i>151,215</i> |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | 1,955 | <i>1,955</i> | 208,805 | <i>192,955</i> | 157,240 | <i>154,226</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 70,000 | 65,805 | 58,377 |
| RfR 2 | - | 10,125 | 7,902 |
| Total Net Administration costs | 70,000 | 75,930 | 66,279 |
| Net Programme Costs | | | |
| RfR 1 | 14,621,510 | 14,467,827 | 12,468,069 |
| RfR 2 | 3,802,181 | 3,402,941 | 2,910,781 |
| Total Net Programme costs | 18,423,691 | 17,870,768 | 15,378,850 |
| Total Net Operating Cost | 18,493,691 | 17,946,698 | 15,445,129 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 18,495,646 | 17,948,653 | 15,448,140 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | -1,955 | -1,955 | -3,011 |
| Resource Budget | 16,591,231 | 15,917,611 | 14,248,956 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 18,495,646 | 17,948,653 | 15,448,140 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | -1,955 | -1,955 | -3,011 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 18,493,691 | 17,946,698 | 15,445,129 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -6 |
| Capital grants | -204,111 | -86,618 | -116,923 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | -175 | -385,093 | -261 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | -1,743,668 | -1,589,035 | -1,078,983 |
| Unallocated resource provision | 45,494 | 31,659 | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 16,591,231 | 15,917,611 | 14,248,956 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 16,378,511 | 15,673,719 | 14,078,732 |
| Annually Managed Expenditure (AME) | 212,720 | 243,892 | 170,224 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 4,769,587 | 4,266,782 | 2,836,781 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | 1,605,103 | 1,971,452 | 1,750,698 |
| Capital grants | 204,111 | 86,618 | 116,923 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | 169,681 | 1,645 | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 6,748,482 | 6,326,497 | 4,704,402 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1,989,868 | 2,065,889 | 1,882,136 |
| Annually Managed Expenditure (AME) | 4,758,614 | 4,260,608 | 2,822,266 |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

Request for Resources 1: Mr Ian Watmore, Permanent Head of the Department

Request for Resources 2: Mr Ian Watmore, Permanent Head of the Department

Ian Watmore as the Accounting Officer of the Department for Innovation, Universities and Skills has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Innovation, Universities and Skills.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation. | | | |
| Administration | - | 159 | 4,072 |
| <i>of which:</i> | | | |
| Sale of goods and services | - | 159 | 4,072 |
| Programme | 8,481,072 | 8,207,750 | 7,148,505 |
| <i>of which:</i> | | | |
| Sale of goods and services | 223 | 4,879 | 54,305 |
| EU Income | 109 | 220 | 92 |
| Other grant income (including repayments of grants/subsidies) | 7,381,980 | 7,201,089 | 6,697,584 |
| Interest and dividends | 1,098,756 | 996,054 | 396,224 |
| Other income (including receipts) | 4 | 5,508 | 300 |
| Total RfR 1 | 8,481,072† | 8,207,909 | 7,152,577 |
| <p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: European Fast Stream receipts; repayment of career development loans; repayments of working capital loans; receipts in respect of Career Development Loans default recoveries by banks; receipts from the sale of surplus properties; receipts from outside organisations(including the EC) in respect of advertising and publicity activities and materials; sale of research publications; receipts from the European Social Fund to cover departmental programmes; receipts from the Department for Children, Schools and Families for 14-19 programmes,</p> <p>receipts for student support; profits on the sale of surplus equipment and other assets; Sponsorship Funding; rent income from three domestic properties on the estate of the European School of Culture at Culham, Oxfordshire; contributions from the National Assembly for Wales towards Key Skills; receipts from the Department for Work and Pensions for the UK Commissioner for Employment and Skills; contributions from the National Assembly for Wales and the Scottish Executive for dance and drama students; contributions from the Scottish Executive, the National Assembly for Wales, and the Northern Ireland Executive towards miscellaneous European Education and the UK Prime Minister Initiative;</p> <p>contributions from other government departments and other sources towards the cost of promoting UK education and training overseas; London Challenge receipts; receipts from the Department of Health for Investors in People healthy Organisations; Student loan interest receivable. Further and Higher education receipts from the Department for Children, Schools and Families; receipts from the Home Office for offender education; receipts from the Department for Communities and Local government for Faith Leader project; student support receipts.</p> | | | |
| RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society. | | | |
| Administration | - | - | 76 |
| <i>of which:</i> | | | |
| Sale of goods and services | - | - | 76 |
| Programme | 1,000 | 8,306 | 6,425 |
| <i>of which:</i> | | | |
| Other grant income (including repayments of grants/subsidies) | 1,000 | 8,306 | 6,425 |
| Total RfR 2 | 1,000† | 8,306 | 6,501 |
| <p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Receipts for employees' and employers' contributions and transfer values received and contributions towards the Institute of Animal Health.</p> | | | |
| Total Operating A in A | 8,482,072 | 8,216,215 | 7,159,078 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation. | | | |
| Programme | 1,160,250 | 697,366 | 531,292 |
| <i>of which:</i> | | | |
| Loan, etc, repayments | 1,160,250 | 697,366 | 531,292 |
| Total RfR 1 | 1,160,250† | 697,366 | 531,292 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: Repayment of principal on student loans; and from the sale of surplus land, buildings and equipment. Repayment of loans from the Patent Office.</i> | | | |
| Total Non-Operating A in A | 1,160,250 | 697,366 | 531,292 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Receipt of dividend from Patent Office Executive Agency trading fund Φ | 1,751 | 1,751 | 1,751 | 1,751 | 2,807 | 2,807 |
| Interest on Loans advanced by the S of S to the Patent Office Executive Agency trading fund Φ | 204 | 204 | 204 | 204 | 204 | 204 |
| Student Loan Interest Receipts Φ | - | - | 206,850 | 191,000 | 154,229 | 151,215 |
| Total | 1,955 | 1,955 | 208,805 | 192,955 | 157,240 | 154,226 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|------------|------------|------------|
| | Voted | Non-voted | Total |
| Resource DEL | -4,033,349 | 20,411,860 | 16,378,511 |
| <i>of which: †</i> | | | |
| Administration budget | 70,000 | - | 70,000 |
| Near-cash in RDEL | -5,235,620 | 20,256,126 | 15,020,506 |
| Capital DEL †† | 72,842 | 1,917,026 | 1,989,868 |
| Less Depreciation ††† | -3,205 | -141,753 | -144,958 |
| Total DEL | -3,963,712 | 22,187,133 | 18,223,421 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £18,495,646,000 is 3.0 per cent higher than the final net provision for 2007-08 of £17,948,653,000 and 6.2 per cent higher than the forecast outturn for 2007-08 of £17,420,551,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 9,642,322 | 8,913,581 | 7,690,370 |

Notes to the Main Estimate (*continued*)**Expenditure resting on the sole authority of the Appropriation Act**

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|--------------------|--|--------------|
| RfR1 - B | Grants to the Royal anniversary Trust to cover costs associated with the Higher and Further Education Awards Scheme (Queen's Anniversary Prizes) | 167 |

Notes to the Main Estimate (*continued*)

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|--|-------------------|
| RfR1-H | Higher Education Funding Council for England ♥ | 7,103,038 |
| RfR1- I | Office For Fair Access | 488 |
| RfR1- J | Student Loan Company♦ | 76,936 |
| RfR1- K | Investors in People UK | 6,745 |
| RfR1- L | Learning and Skills Council♥ | 11,674,343 |
| RFR1-M | Sector Skills Development Agency♥ | 1,500 |
| RFR1-M | Commission for Employment and Skills | 63,384 |
| RfR1- N | Quality Improvement Agency♥ | 1,140 |
| RfR1- O | Design Council♦ | 6,035 |
| RfR1- P | Technology Strategy Board | 193,800 |
| | Total | 19,127,409 |
| RfR2- J | Arts and Humanities Research Council♥ | 103,492 |
| RfR2- K | Biotechnology and Biological Sciences Research Council ♥ | 409,869 |
| RfR2- L | Economic and Social Research Council ♥ | 164,524 |
| RfR2- M | Engineering and Physical Sciences Research Council ♥ | 785,404 |
| RfR2- N | Medical Research Council♥ | 577,849 |
| RfR2- O | Natural Environment Research Council ♥ | 365,140 |
| RfR2- P | Science and Technology Facilities Council♥ | 530,803 |
| RfR2- R | Higher Education Funding Council for England ♥ | 363,676 |
| | Total | 3,300,757 |

Notes to the Main Estimate (*continued*)

Contingent liabilities

| Nature of Liability | £'000 |
|---|----------------|
| As at 31 March 2009 the following liabilities fell to be met from the Department's Estimate: | |
| Non Statutory | |
| In order to ensure that the Croydon Local Learning and Skills Council (LLSC) commences operations in April 2001 and because no suitable training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CCTE) property exists in the Croydon LLSC area an indemnity to give a landlord a guarantee that, in the event of the LSC ceasing to exist the Secretary of State will take over the lease. this is because, to the landlord, the LSC is an unknown body with no financial history. | 4,037 |
| In order to ensure that the Learning and Skills Council (LLSC) commences operations in April 2001 and because no suitable training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CCTE) property exists in the Brighton, Manchester or Coventry area an indemnity to give landlords a guarantee that, in the event of the LSC ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LSC is an unknown body with no financial history. | 30,688 |
| An indemnity to cover the cost of re-assessing trainees who are disadvantaged by flaws in the awarding of National Vocational Qualifications by the Road Transport Industry Training Board. | Unquantifiable |
| In order to ensure that the Kempston Local Learning and Skills (LLSC) commenced its operations on time, and because there was no suitable Training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CCTE) property in the Kempston LLSC area, and because the LSC was an unknown body to the landlord with no financial history the landlord required the Secretary of State to act as guarantor. In the event of the LSC ceasing to exist the Secretary of State will be required to take over responsibilities under the lease. | 386 |

Notes to the Main Estimate (*continued*)**International Subscriptions**

| RfR/Section | Body | £'000 |
|--------------------|---|--------------|
| RfR1 - D | The Estimate includes provision to reimburse the Department for Work and Pensions for payments made by the Joint International Unit for International Education Programmes and the annual subscription of the International Labour Organisation | 12,533 |

Department for Communities and Local Government

Introduction

1. The Estimate for 2008-09 consists of two Requests for Resources:

RfR1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions

RfR2: Providing for effective devolved decision making within a national framework

2. This Estimate provides for expenditure by the Department for Communities and Local Government on Housing, Homelessness, Planning, Neighbourhood Renewal, Local and Regional Government, Fire, Civil Resilience, race and faith equalities, community cohesion and related administration costs.

3. The resources requested are used to meet the six Departmental Strategic Objectives, details of which can be found in Chapter 2 of the Communities and Local Government Annual Report 2008, which is published in May 2008. Chapters 3 to 9 of the Departmental Annual Report (DAR) reports on progress made in delivery of previous targets. Chapter 10 details how the resources are managed.

4. The Estimate includes provision for three executive agencies, fifteen executive and five advisory non-departmental public bodies, Ordnance Survey and the administration of nine government offices. Annex B to the DAR 2008 also provides further information relating to strategic objectives and achievements of the agencies and non-departmental public bodies.

5. Further, more detailed information will be provided in tables throughout the DAR.

6. Symbols are explained in the Introduction to this booklet.

Department for Communities and Local Government

Part I

£

| | |
|---|-----------------------|
| Request for Resources 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions† | 11,171,462,000 |
| Request for Resources 2: Providing for effective devolved decision making within a national framework | 25,171,097,000 |
| Total net resource requirement | 36,342,559,000 |
| Net cash requirement | 36,364,731,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Department for Communities and Local Government on:

RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions

housing revenue account subsidy; homelessness, rough sleepers and housing reform; payments to the Housing Corporation; the Homes and Communities Agency; payments to the Audit Commission for registered social landlord inspections; disabled facilities grant; capacity building and efficiency improvements; home buying and selling; procurement efficiencies in social housing; payments to local authorities in respect of Area Based Grant; rent and leasehold services; social housing mobility including choice-based local authority lettings; tenant engagement; housing transfers; regional housing boards advice; the Supporting People programme; capital grants to local authorities for housing; Shanghai Expo 2010; housing related sustainable development; payments to the Commission for Architecture and the Built Environment; payments to the Academy for Sustainable Communities; charges by Valuation Offices in respect of Right to Buy; refurbishment and acquisition of gypsy sites; deprived neighbourhoods, including the New Deal for Communities programmes; payments to the Urban Regeneration Agency; payments to the Department for Business Enterprise and Regulatory Reform for Regional Development Agencies and the London Development Agency; Groundwork; initiatives to accelerate the growth areas, including transport schemes and payments to development corporations and other local delivery agencies; Support for the construction of venues and infrastructure related to the Olympic Games; grants and payments for creating and improving parks and public spaces; co-ordinating strategy for dealing with abandoned vehicles; payments that derive from European Structural Funds Regulations; exchange rate losses and other losses relating to European Regional Development Fund (ERDF) projects; Combined Universities of Cornwall; coalfields regeneration; planning; the Planning Inspectorate;

Fire and Rescue services, including the grants paid to Chief Fire Officers' Association and measures to deal with the aftermath of terrorism; purchase of fire radio systems; payments and loans to the Fire Service College (trading fund); payments for provision of services to improve the efficiency and effectiveness of the fire service; Emergency Fire Service Closure costs; fire service pensions; fire service dispute(s); payments to Firebuy; work on improving race, gender and faith equalities; payments to the Community Development Foundation ; Community Cohesion; Community empowerment; mapping data and services; Ordnance Survey trading fund; regional assemblies, payments for the Mersey Basin Campaign; special grants paid under Section 31 of the Local Government Act 2003; minor grants and payments in support of housing, planning, regeneration, liveability, urban design, building regulation, research, development, surveys;

monitoring, statistics, advice and consultancies; initiatives to tackle areas of low demand housing; publicity, promotion and publications; communications; Special Grants Programme support to voluntary bodies; subscriptions and contributions to international organisations; the residual functions of Property Services Agency (PSA); payments and loans in connection with the Queen Elizabeth II Conference Centre trading fund; the administration and operation of the department including the Government Offices; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; housing statistics, special payments; and associated non-cash items.

RfR 2: Providing for effective devolved decision making within a national framework

payments to the Valuation Office Agency for rating and valuation services; payments to the Audit Commission for Best Value inspections; revenue support grant and redistributed non-domestic rates to receiving authorities in England; repayments of excess contributions made by local authorities in respect of non-domestic rates in 2007-08 and previous years; preparation for the Greater London Authority and related bodies; Greater London Authority (GLA) general grant; intervention action and capacity building in local authorities; local Public Service Agreement (PSA) performance fund payments; grants paid under section 31 and 36(a) of the Local Government Act 2003; grants to beacon councils; emergency financial assistance to local authorities; payments to bodies specified by the Secretary of State under section 78 of the Local Government Finance Act 1988, as amended, and to the Commission for Local Administration in England; mapping and other costs associated with local government reviews and revisions to administrative and electoral boundaries following Parish and Electoral Commission reviews; grant in aid to the Standards Board for England and to the Valuation Tribunal Service; payments in respect of the capital element of contracts let under the private finance initiative; research, development, surveys, monitoring, statistics, advice and consultancies; publicity, promotion and publications; special payments; subscriptions to the Commonwealth Local Government forum and associated non-cash items.

The **Department for Communities and Local Government** will account for this Estimate.

† Part of the provision under subhead B2 in RfR1 is subject to the passage of the Housing and Regeneration Bill, which has passed third reading in the House of Commons and is currently in the House of Lords. The provision sought (£13,000,000) will not be used for the service or for any other purpose until the enabling legislation has been enacted.

£930,000 has been advanced from the Contingencies Fund to provide cash in respect of this new service. A corresponding amount is required to enable repayment to be made to the Fund.

£

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-----------------------|---|--------------------------------|
| RfR 1 | 11,171,462,000 | 4,689,118,000 | 6,482,344,000 |
| RfR 2 | 25,171,097,000 | 11,303,567,000 | 13,867,530,000 |
| Total net resource requirement | 36,342,559,000 | 15,992,685,000 | 20,349,874,000 |
| Net cash requirement | 36,364,731,000 | 16,006,676,000 | 20,358,055,000 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|--|---|------------|-------------|---------|------------|---------|-----------------------------|------------------------|------------------------|-------|--|
| 2008-09 Provision | | | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
| Resources | | | | | | Capital | | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non- operating A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions | | | | | | | | | | | |
| 310,016 | 1,006,867 | 10,112,823 | 11,429,706 | 258,244 | 11,171,462 | 64,451 | 82 | 11,273,359 | 9,271,107 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Supporting local government | | | | | | | | | | |
| - | 464 | - | 464 | - | 464 | - | - | 164 | 4 | | |
| B | Improving the supply and quality of housing | | | | | | | | | | |
| - | 85,409 | 385,116 | 470,525 | 300 | 470,225 | - | - | 219,755 | 131,559 | | |
| C | Building prosperous communities, promoting regeneration and tackling deprivation | | | | | | | | | | |
| - | 43,105 | 1,942,571 | 1,985,676 | - | 1,985,676 | 5,000 | - | 1,678,161 | 1,624,497 | | |
| D | Developing communities that are cohesive, active and resilient to extremism | | | | | | | | | | |
| - | 12,947 | 25,500 | 38,447 | 1,000 | 37,447 | - | - | 27,943 | 21,601 | | |
| E | Providing a more efficient, effective and transparent planning system | | | | | | | | | | |
| - | 85,936 | - | 85,936 | - | 85,936 | 8,400 | - | 69,015 | 64,509 | | |
| F | Ensuring safer communities by providing the framework to prevent and respond to emergencies | | | | | | | | | | |
| - | 129,817 | 757 | 130,574 | - | 130,574 | 27,127 | - | 106,928 | 66,021 | | |
| G | Central Administration | | | | | | | | | | |
| 200,730 | 35,529 | - | 236,259 | 19,755 | 216,504 | 21,064 | - | 203,112 | 174,016 | | |
| H | Government Office Administration | | | | | | | | | | |
| 109,286 | - | - | 109,286 | 10,000 | 99,286 | 2,860 | - | 122,540 | 137,774 | | |
| I | European Structural Funds- net (expenditure and income relating to old programmes) | | | | | | | | | | |
| - | - | 1 | 1 | - | 1 | - | - | 1 | -1 | | |
| J | European Structural Funds- income relating to 2007-13 programmes | | | | | | | | | | |
| - | - | - | - | 66,318 | -66,318 | - | - | -39,009 | - | | |
| K | European Structural Funds - Communities and Local Government | | | | | | | | | | |
| - | 2,300 | 8,001 | 10,301 | - | 10,301 | - | - | 10,103 | 44,747 | | |
| L | Ordnance Survey | | | | | | | | | | |
| - | 39,460 | 1,320 | 40,780 | 26,262 | 14,518 | - | - | 15,713 | 10,538 | | |
| M | Queen Elizabeth II Conference Centre Executive Agency | | | | | | | | | | |
| - | - | 117 | 117 | 1,409 | -1,292 | - | 82 | -1,498 | -1,163 | | |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|--|---|-----------|-------------|---------|-----------|---------|-----------------------------|------------------------|------------------------|----------------------|--------------------|
| 2008-09 Provision | | | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
| Resources | | | | | | Capital | | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non- operating A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| <i>Local Area Agreements</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | -1,090,548 | -422,732 | | |
| Support for Local Authorities | | | | | | | | | | | |
| N | Improving the supply and quality of housing | | | | | | | | | | |
| - | - | 2,876,398 | 2,876,398 | 133,200 | 2,743,198 | - | - | 2,851,803 | 2,649,301 | | |
| O | Building prosperous communities, promoting regeneration and tackling deprivation | | | | | | | | | | |
| - | - | 276,473 | 276,473 | - | 276,473 | - | - | 262,295 | 322,712 | | |
| P | Developing communities that are cohesive, active and resilient to extremism | | | | | | | | | | |
| - | - | 3,970 | 3,970 | - | 3,970 | - | - | 6,000 | 534 | | |
| Q | Providing a more efficient, effective and transparent planning system | | | | | | | | | | |
| - | - | 100,000 | 100,000 | - | 100,000 | - | - | 114,228 | 127,823 | | |
| R | Ensuring safer communities by providing the framework to prevent and respond to emergencies | | | | | | | | | | |
| - | 15,200 | 62,445 | 77,645 | - | 77,645 | - | - | 71,888 | 43,848 | | |
| S | Area Based Grant | | | | | | | | | | |
| - | - | 631,517 | 631,517 | - | 631,517 | - | - | - | - | | |
| T | European Structural Funds- net (expenditure and income relating to old programmes) | | | | | | | | | | |
| - | - | 1 | 1 | - | 1 | - | - | 1 | - | | |
| U | European Structural Funds- payments to London Development Agency for 2007-13 programme | | | | | | | | | | |
| - | - | 2,976 | 2,976 | - | 2,976 | - | - | 1,751 | - | | |
| <i>Local Area Agreements</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 1,850,285 | 505,608 | | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| Central Government spending | | | | | | | | | | | |
| V | Improving the supply and quality of housing | | | | | | | | | | |
| - | 556,700 | - | 556,700 | - | 556,700 | - | - | 690,063 | 762,869 | | |
| <i>Ensuring safer communities by providing the framework to prevent and respond to emergencies</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 50 | 633 | | |
| Support for Local Authorities | | | | | | | | | | | |
| W | Ensuring safer communities by providing the framework to prevent and respond to emergencies | | | | | | | | | | |
| - | - | 199,843 | 199,843 | - | 199,843 | - | - | 175,854 | 172,707 | | |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|--|--|-------------|------------------|-------------|----------------|------------------------------|-------------|-----------------------------|------------------------------|----------------------|--------------------|
| | | | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
| 2008-09 Provision | | | | | | | | | | | |
| Resources | | | | | | Capital Non- operating | | | | | |
| Admin 1 | Other Current 2 | Grants 3 | Gross Total 4 | A in A 5 | Net Total 6 | Capital 7 | A in A 8 | Net Total Resources 9 | Net Total Resources 10 | | |
| Non-Budget | | | | | | | | | | | |
| X | Improving the supply and quality of housing | | | | | | | | | | |
| | - | - | 3,532,474 | 3,532,474 | - | 3,532,474 | - | 3,885,916 | 2,830,142 | | |
| Y | European Structural Funds- payments to Regional Development Agencies for 2007-13 programme | | | | | | | | | | |
| | - | - | 63,342 | 63,342 | - | 63,342 | - | 37,259 | - | | |
| Z | Area Based Grant | | | | | | | | | | |
| | - | - | 1 | 1 | - | 1 | - | - | - | | |
| | <i>Ensuring safer communities by providing the framework to prevent and respond to emergencies</i> | | | | | | | | | | |
| | - | - | - | - | - | - | - | 3,586 | 3,560 | | |
| | RfR 2: Providing for effective devolved decision making within a national framework | | | | | | | | | | |
| | - | 196,881 | 24,974,281 | 25,171,162 | 65 | 25,171,097 | - | 23,814,158 | 23,725,508 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Valuation Services | | | | | | | | | | |
| | - | 173,590 | - | 173,590 | - | 173,590 | - | 174,450 | 166,250 | | |
| B | Best Value Inspection Subsidies to public corporations & Best Value Intervention costs | | | | | | | | | | |
| | - | 19,924 | - | 19,924 | - | 19,924 | - | 22,910 | 19,341 | | |
| C | Local Government research and publicity, boundary reviews: mapping costs | | | | | | | | | | |
| | - | 3,367 | - | 3,367 | 65 | 3,302 | - | 3,554 | 3,665 | | |
| | <i>Local governance</i> | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | 3 | | |
| <i>Support for Local Authorities</i> | | | | | | | | | | | |
| D | Revenue Support Grants | | | | | | | | | | |
| | - | - | 3,586,446 | 3,586,446 | - | 3,586,446 | - | 3,762,931 | 3,956,253 | | |
| E | Non-Domestic Rates Payments | | | | | | | | | | |
| | - | - | 20,500,000 | 20,500,000 | - | 20,500,000 | - | 18,500,000 | 17,500,000 | | |
| F | London governance | | | | | | | | | | |
| | - | - | 47,806 | 47,806 | - | 47,806 | - | 38,348 | 37,868 | | |
| G | Other grants and payments | | | | | | | | | | |
| | - | - | 357,061 | 357,061 | - | 357,061 | - | 335,459 | 983,879 | | |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|--|------------------|-------------------|-------------------|----------------|------------------------------|---------------|------------------------|------------------------|------------------------------|----------------------------|
| 2008-09 Provision | | | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
| Resources | | | | | | Capital Non- operating | | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Support for Local Authorities</i> | | | | | | | | | | | |
| H | Non-Domestic Rates outturn adjustments and Local Authority Business Growth Incentive | | | | | | | | | | |
| | - | - | 463,000 | 463,000 | - | 463,000 | - | - | 955,599 | 1,036,245 | |
| Non-Budget | | | | | | | | | | | |
| I | Non-Departmental Public Bodies | | | | | | | | | | |
| | - | - | 19,968 | 19,968 | - | 19,968 | - | - | 20,907 | 22,004 | |
| Total for Estimate: | | | | | | | | | | | |
| | 310,016 | 1,203,748 | 35,087,104 | 36,600,868 | 258,309 | 36,342,559 | 64,451 | 82 | 35,087,517 | 32,996,615 | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 36,342,559 | 35,087,517 | 32,996,615 |
| Voted capital items | | | |
| Capital | 64,451 | 82,162 | 27,659 |
| Less Non-operating A-in-A | 82 | 104 | 156 |
| Total net voted capital | 64,369 | 82,058 | 27,503 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -8,206 | -12,688 | 15,626 |
| Depreciation | -37,942 | -29,494 | -24,968 |
| New provisions and adjustments to previous provisions | -4,049 | -10,968 | -18,457 |
| Profit/loss on sale of assets | - | - | -3,884 |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | -20 | -1,181 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | 300,000 | - |
| Increase (-) / Decrease (+) in creditors | - | - | - |
| Use of provisions | 8,000 | 13,147 | 4,388 |
| Total accruals to cash adjustments | -42,197 | 259,977 | -28,476 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 36,364,731 | 35,429,552 | 32,995,642 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|-------------------------|------------------|-------------------------|------------------|-------------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| | Provision | | Provision | | Outturn | |
| Operating income not classified as A in A | 1,433,400 | <i>1,433,400</i> | 1,308,218 | <i>1,308,218</i> | 1,311,163 | <i>1,311,163</i> |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | 1,433,400 | <i>1,433,400</i> | 1,308,218 | <i>1,308,218</i> | 1,311,163 | <i>1,311,163</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 280,261 | 304,384 | 293,155 |
| RfR 2 | - | - | - |
| Total Net Administration costs | 280,261 | 304,384 | 293,155 |
| Net Programme Costs | | | |
| RfR 1 | 10,891,201 | 10,968,975 | 8,977,952 |
| RfR 2 | 25,171,097 | 23,814,158 | 23,725,508 |
| Non-voted | -1,433,400 | -1,307,311 | -1,311,164 |
| Total Net Programme costs | 34,628,898 | 33,475,822 | 31,392,296 |
| Total Net Operating Cost | 34,909,159 | 33,780,206 | 31,685,451 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 36,342,559 | 35,087,517 | 32,996,615 |
| Non-voted expenditure | - | 907 | -1 |
| Consolidated Fund Extra Receipts | -1,433,400 | -1,308,218 | -1,311,163 |
| Resource Budget | 29,569,226 | 28,404,476 | 27,503,353 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 36,342,559 | 35,087,517 | 32,996,615 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | 907 | -1 |
| Consolidated Fund Extra Receipts in the OCS | -1,433,400 | -1,308,218 | -1,311,163 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 34,909,159 | 33,780,206 | 31,685,451 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -3,884 |
| Capital grants | -1,557,096 | -1,607,849 | -1,383,836 |
| European Union income related to capital grants | - | - | 38,901 |
| Voted expenditure outside the budget | -1 | -7,000 | -3,834 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | 692,000 | 691,000 | 672,990 |
| Resource consumption of non departmental public bodies | -3,950,986 | -3,236,871 | -3,050,097 |
| Unallocated resource provision | 70,886 | 13,274 | - |
| Other adjustments | -594,736 | -1,228,284 | -452,338 |
| Resource Budget (Budget) | 29,569,226 | 28,404,476 | 27,503,353 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 29,032,083 | 27,151,762 | 26,164,055 |
| Annually Managed Expenditure (AME) | 537,143 | 1,252,714 | 1,339,298 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 64,369 | 82,058 | 27,503 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | 4,063,368 | 3,285,269 | 3,116,912 |
| Capital grants | 1,557,096 | 1,607,849 | 1,383,836 |
| European Union income related to capital grants | - | - | -38,901 |
| Supported capital expenditure (revenue) | 1,143,038 | 1,298,809 | 1,181,275 |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | 234,229 | - | - |
| Other adjustments | - | -75,369 | -15,867 |
| Capital Budget (Budget) | 7,062,100 | 6,198,616 | 5,654,758 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 7,062,100 | 6,198,616 | 5,654,758 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

Request for Resources 1: Peter Housden, Permanent Head of the Department for Communities and Local Government

Request for Resources 2: Christopher Wormald, Additional Accounting Officer and Director General of the Local Government and Regeneration Group of the Department

Peter Housden as the Principal Accounting Officer of the Department for Communities and Local Government has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of the Department for Communities and Local Government.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

In accordance with Managing Public Money requirements the relationship between the Principal Accounting Officer and the Additional Accounting Officer(s) and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions | | | |
| Administration | 29,755 | 48,273 | 53,131 |
| <i>of which:</i> | | | |
| Sale of goods and services | 29,755 | 48,273 | 53,131 |
| Programme | 228,489 | 1,293,314 | 597,962 |
| <i>of which:</i> | | | |
| Sale of goods and services | 25,222 | 32,255 | 56,380 |
| EU Income | 66,318 | 39,009 | 190 |
| Other grant income (including repayments of grants/subsidies) | 133,200 | 124,500 | 112,021 |
| Interest and dividends | 2,749 | 5,612 | 6,639 |
| Other income (including receipts) | 1,000 | 1,091,938 | 422,732 |
| Total RfR 1 | 258,244† | 1,341,587 | 651,093 |
| <p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: research and administrative services, fee paying enquiries, dissemination and sales of information, royalties, the loan, hire and storage of equipment, seminars, patent rights, conferences and publications (in print and non-print media); sponsorship, including contributions from co-sponsors towards the cost of research and surveys; other government departments including agencies and non-departmental public bodies and overseas government; receipts from the European Union; adjustments to commuted loan charges or residual loan charge grants; pooled housing capital receipts from local authorities; housing revenue receipts from local authorities; donations; receipts from the Housing Corporation; charges for services provided by leasehold valuation tribunals and other receipts by Rent Assessment Panels; recovered renovation or disabled facilities grants; recovered derelict land and other regeneration grants; charges made by the Planning Inspectorate executive agency in England and Wales; receipts from inspections by Crown Property Inspection Group; dividend payment from Ordnance Survey; dividend payment from the Queen Elizabeth II Conference Centre and interest payments on voted loans; receipts from other government departments for research in support of fire and rescue services; receipts from medical appeals to cover BUPA expenditure; receipts from regional fire and rescue control centres building developers; interest payments on deemed and voted loans made to the Fire Service College; dividend payment from the Fire Service College; receipts from Firelink contractor; the disposal of land, buildings, water stores, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; receipts for the use of accommodation; rental income and receipts from property and land; legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements; residual items from the sale of the Building Research Establishment; receipts associated with the Emergency Fire Services; former SRB programme receipts; and the sale of Property Services Agency businesses.</p> | | | |
| RfR 2: Providing for effective devolved decision making within a national framework | | | |
| Programme | 65 | 38,165 | 6 |
| <i>of which:</i> | | | |
| Sale of goods and services | 65 | 465 | 6 |
| Other grant income (including repayments of grants/subsidies) | - | 36,200 | - |
| Other income (including receipts) | - | 1,500 | - |
| Total RfR 2 | 65† | 38,165 | 6 |
| <p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: sponsorship, including contributions from co-sponsors towards the cost of research and publicity; the Home Office; repayments by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; and fines passed on by the Ministry of Justice.</p> | | | |
| Total Operating A in A | 258,309 | 1,379,752 | 651,099 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions | | | |
| Programme | 82 | 104 | 156 |
| <i>of which:</i> | | | |
| Sale of assets | - | - | 129 |
| Loan, etc, repayments | 82 | 104 | 27 |
| Total RfR 1 | 82† | 104 | 156 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan, hire or storage of equipment; repayment of deemed and voted loans made to the Queen Elizabeth II Conference Centre and the Fire Service College; receipts from the Housing Corporation and the sale of PSA businesses.</i> | | | |
| Total Non-Operating A in A | 82 | 104 | 156 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Housing Revenue Account Subsidy Δ | 741,400 | 741,400 | 617,017 | 617,017 | 637,872 | 637,872 |
| Large Scale Voluntary Transfer Levy ● | 20,000 | 20,000 | 20,000 | 20,000 | 7,879 | 7,879 |
| Pooled capital receipts from local authorities ● | 672,000 | 672,000 | 671,000 | 671,000 | 665,111 | 665,111 |
| Central administration Φ | | | 11 | 11 | 70 | 70 |
| Planning Inspectorate Executive Agency (fees from appeals against enforcement notices) Φ | | | 190 | 190 | 231 | 231 |
| Total | 1,433,400 | 1,433,400 | 1,308,218 | 1,308,218 | 1,311,163 | 1,311,163 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|------------|-----------|------------|
| | Voted | Non-voted | Total |
| Resource DEL | 28,648,403 | 383,680 | 29,032,083 |
| <i>of which: †</i> | | | |
| Administration budget | 280,261 | - | 280,261 |
| Near-cash in RDEL | 28,598,206 | 280,464 | 28,878,670 |
| Capital DEL †† | 2,923,197 | 4,138,903 | 7,062,100 |
| Less Depreciation ††† | -37,942 | -13,056 | -50,998 |
| Total DEL | 31,533,658 | 4,509,527 | 36,043,185 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £36,342,559,000 is 3.6 per cent higher than the final net provision for 2007-08 of £35,087,517,000 and 5.8 per cent higher than the forecast outturn for 2007-08 of £34,352,334,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 258,391 | 1,379,856 | 651,255 |

Notes to the Main Estimate (*continued*)

Changes in Accounting Policies

Bulk purchases of furniture are now classed as capital expenditure, score in capital budgets and attract depreciation and cost of capital charges, rather than as a near cash expense. The effect of this is to move up to £3,000,000 out of administration resources into capital expenditure in the Estimate, partly offset by increased depreciation and cost of capital charges in administration resources. The net effect of this change on the department's budgets is being managed within existing Resource and Capital DEL allocations.

Notes to the Main Estimate (*continued*)

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|--|-----------|
| RfR1 | | |
| B | Commission for Architecture in the Built Environment ♥ | 6,940 |
| X | Housing Corporation ♥ | 2,615,249 |
| X | English Partnerships- Urban Regeneration Agency ♥ | 300,000 |
| X | Leasehold Advisory Service ♥ | 1,225 |
| RfR2 | | |
| I | Valuation Tribunal Service ♥ | 11,683 |
| I | Standards Board for England ♥ | 8,285 |

Notes to the Main Estimate (*continued*)

Contingent liabilities

| Nature of Liability | £'000 |
|---|----------------|
| Statutory | |
| Fire Service Act 1947 s17 and the Fire Service (Discipline Regulations) 1985. Liability to litigation by Fire Authorities resulting from delays in processing appeals to the Secretary of State. | 200 |
| Payments under the Housing Defects Act 1984 (now part XVI of the Housing Act 1985) to Local Authorities. | 750 -1,000 |
| Housing Association Act 1987, s84. Indemnity of building society mortgages for shared ownership schemes. | 175 |
| Indemnity given for the Land Stabilisation Project to proceed in Northwich under Section 1 of the Derelict Land Act 1982 | 25,000 |
| Non-Statutory | |
| Possible administrative irregularities (Article 4 and 10 checks) in respect of the European Regional Development Fund programme, where approximately 50% of the total irregularities value would not be recovered due to insolvency occurring. | 4,997 |
| Three Local Authorities (Corby, Slough and Cannock Chase) have launched legal action against the Department for underpayment of the Local Authority Business Growth Incentive Scheme grant. There is a chance that the court will rule in favour of the Local Authorities. This would result in an additional payment to Local Authorities. | 200,850 |
| Possible obligations from Employment Tribunal decision including asbestos claims against the Department. | Unquantifiable |
| Potential payments under the Housing Revenue Account Subsidy (HRAS) scheme relating to outstanding claims. | Unquantifiable |
| Liability to pay grant in future years relating to annual gap-funding agreements for negative values transfers of council housing stocks | 373,075 |
| Ex-gratia payments which may possibly be made to appellants or other appeal parties who have incurred abortive costs following an error made by the Planning Inspectorate. | 75 |
| Possible ex-gratia payments in relation to Housing and Planning | Unquantifiable |

| | |
|---|----------------|
| Possible compensation in relation to Midlands Co-op / Thurmaston planning case (Parliamentary Ombudsman case). | 5200-26000 |
| Possible obligations from Employment Tribunal decisions. | Unquantifiable |
| Other Employment Tribunal decisions. | 186 |
| Charging of VAT on building rental | 182 |
| Indemnity given to the Nationwide Building Society as lender for claims relating to the treatment or removal of asbestos in connection with housing stock transfers | Unquantifiable |
| Indemnity given to the Fire and Rescue Services in respect of possible incidents as a result of mass decontamination. | Unquantifiable |
| Where bodies outside boundary (see Note 33 of resource accounts) are unable to meet their own liabilities, then there is no reason to believe that the department's future sponsorship and future Parliamentary approval will not be forthcoming. | Unquantifiable |

Notes to the Main Estimate (*continued*)

Gifts

The Department for Communities and Local Government will make purchases for the upgrade of fire service radio systems and pass ownership by way of gift to fire authorities; and Gifts may be presented by Ministers on official delegations.

Home Office

Introduction

1. Sections A to N and Q to W of Request for Resources 1 provide for Home Office direct expenditure, as explained in the Home Office 2008 Departmental report due to be published in July 2008. The Home Office's overarching objective is to help people feel secure in their homes and communities by:

- cutting crime, especially violent, drug and alcohol related crime;
- leading visible, responsive and accountable policing;
- protecting the public from terrorism;
- securing our borders and control migration for the benefit of our country;
- safeguard people's identity and the privileges of citizenship;
- support the efficient and effective delivery of justice;

2. Section O provides for expenditure on superannuation transactions for police seconded to HM Inspectorate of Constabulary.

3. Section P provides for grants in support of local authorities.

4. Symbols are explained in the introduction to this booklet.

Home Office

Part I

£

| | |
|--|-----------------------|
| Request for Resources 1: Working together to protect the public † | 10,122,109,000 |
| Total net resource requirement | 10,122,109,000 |
| Net cash requirement | 10,303,129,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Home Office on:

RfR 1: Working together to protect the public

Police; set-up costs, loans and investments in the Forensic Science Service; registration of forensic practitioners; emergency planning; the prevention and treatment of drug abuse; crime reduction and prevention; regulation of the private security industry; criminal justice planning system and other services related to crime; identity cards; identity management; counter-terrorism and intelligence; control of immigration and nationality; passports; work permits; support for asylum seekers, refugees (including the provision of loans) and VCS refugee organisations; firearms compensation and related matters; claims by local authorities for the Kosovan evacuees special grant; support to local authorities, including Area Based Grants; payments to other Government departments; payments of grant and grant-in-aid to organisations promoting Home Office objectives, (including Non-Departmental Public Bodies); the administration and operation of the department; and associated non-cash items.

The **Home Office** will account for this Estimate.

£

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-----------------------|------------------------------------|------------------------|
| RfR 1 | 10,122,109,000 | 4,223,493,000 | 5,898,616,000 |
| Total net resource requirement | 10,122,109,000 | 4,223,493,000 | 5,898,616,000 |
| Net cash requirement | 10,303,129,000 | 4,269,543,000 | 6,033,586,000 |

† In the Vote on Account 2008-09, RfR 1 was entitled 'Protecting the public and securing our future'.

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
|--|--|-----------|-------------|-----------|------------|-----------|----------------------|---------------------|---------------------|
| Resources | | | | | | Capital | | Net Total Resources | Net Total Resources |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-operating A in A | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Working together to protect the public | | | | | | | | | |
| 485,025 | 1,954,218 | 8,535,579 | 10,974,822 | 852,713 | 10,122,109 | 321,284 | - | 9,741,997 | 8,891,691 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Police | | | | | | | | |
| | 22,184 | 26,498 | 82,101 | 130,783 | 1,540 | 129,243 | 14,300 | 162,556 | 81,053 |
| B | Crime reduction | | | | | | | | |
| | 26,282 | 14,342 | 39,613 | 80,237 | 12,867 | 67,370 | - | 109,177 | 49,547 |
| C | Criminal Records Bureau | | | | | | | | |
| | 99,986 | - | - | 99,986 | 99,986 | - | - | - | -25,394 |
| D | Office of Security and Counter terrorism | | | | | | | | |
| | 19,793 | 137,573 | 141,293 | 298,659 | - | 298,659 | 31,793 | 225,312 | 124,925 |
| E | Drugs | | | | | | | | |
| | 8,037 | 2,541 | 15,599 | 26,177 | - | 26,177 | - | 66,938 | 23,204 |
| F | UK Border Agency | | | | | | | | |
| | 110,137 | 1,225,817 | - | 1,335,954 | 343,406 | 992,548 | 170,797 | 1,240,451 | 1,322,636 |
| G | Identity and passport service | | | | | | | | |
| | 3,147 | 472,362 | - | 475,509 | 382,379 | 93,130 | 96,394 | 79,900 | 30,396 |
| H | Central services | | | | | | | | |
| | 195,459 | 75,085 | 11 | 270,555 | 6,435 | 264,120 | 8,000 | 224,975 | 228,450 |
| I | European Refugee Fund | | | | | | | | |
| | - | - | 1 | 1 | - | 1 | - | 1 | -1,015 |
| <i>Support for Local Authorities</i> | | | | | | | | | |
| J | Police grants | | | | | | | | |
| | - | - | 5,383,774 | 5,383,774 | - | 5,383,774 | - | 5,038,506 | 5,285,438 |
| K | Crime Reduction and Drugs grants | | | | | | | | |
| | - | - | 228,389 | 228,389 | - | 228,389 | - | 102,242 | 368,259 |
| L | Office for Security and Counter Terrorism grants | | | | | | | | |
| | - | - | 597,414 | 597,414 | - | 597,414 | - | 724,618 | 78,175 |
| M | UK Border Agency | | | | | | | | |
| | - | - | 381,265 | 381,265 | - | 381,265 | - | 166,627 | 146,880 |
| N | Area Based Grants | | | | | | | | |
| | - | - | 76,539 | 76,539 | - | 76,539 | - | 90,019 | - |

Part II: Subhead detail

£'000

| | | | | | | | | | | 2007-08 | 2006-07 |
|---|--|-----------|-------------|---------|------------|---------|------|-----------|----|-----------|-----------|
| 2008-09 | | | | | | | | | | Provision | Outturn |
| Provision | | | | | | | | | | | |
| Resources | | | | | | Capital | | | | | |
| Admin | Other | Grants | Gross Total | A in A | Net Total | Capital | Non- | operating | | Net Total | Net Total |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Resources | Resources |
| <i>Other Grants</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | - | - | -1 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| O | Police superannuation | - | - | - | 6,100 | -6,100 | - | - | - | 897 | -1 |
| <i>Impairments</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | - | 4,000 | - |
| <i>Support for Local Authorities</i> | | | | | | | | | | | |
| P | Police Superannuation | - | 549,000 | 549,000 | - | 549,000 | - | - | - | 355,000 | 290,751 |
| Non-Budget | | | | | | | | | | | |
| Q | Independent Police Complaints Commission | - | 31,747 | 31,747 | - | 31,747 | - | - | - | 32,307 | 30,600 |
| R | Serious Organised Crime Agency | - | 442,452 | 442,452 | - | 442,452 | - | - | - | 490,575 | 423,400 |
| S | Office of the Immigration Service Commissioner | - | 3,481 | 3,481 | - | 3,481 | - | - | - | 4,495 | 4,311 |
| T | Loan charges | - | 9,669 | 9,669 | - | 9,669 | - | - | - | 9,669 | 7,996 |
| U | National Policing Improvement Agency | - | 540,605 | 540,605 | - | 540,605 | - | - | - | 612,968 | - |
| V | Independent Safeguarding Authority | - | 12,626 | 12,626 | - | 12,626 | - | - | - | 713 | - |
| <i>Police Information Technology Organisation</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | - | - | 348,548 |
| <i>Central Police Training and Development Agency</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | - | - | 82,500 |
| <i>Security Industry Authority</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | - | 1 | -8,985 |
| <i>Fine refunds to carriers</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | - | 50 | 18 |
| Total for Estimate: | | | | | | | | | | | |
| 485,025 | 1,954,218 | 8,535,579 | 10,974,822 | 852,713 | 10,122,109 | 321,284 | - | - | - | 9,741,997 | 8,891,691 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 10,122,109 | 9,741,997 | 8,891,691 |
| Voted capital items | | | |
| Capital | 321,284 | 183,172 | 137,863 |
| Less Non-operating A-in-A | - | 1,193 | - |
| Total net voted capital | 321,284 | 181,979 | 137,863 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -53,691 | -3,447 | 812 |
| Depreciation | -108,241 | -111,495 | -77,678 |
| New provisions and adjustments to previous provisions | -2,000 | - | -23,360 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | - |
| Increase (+) / Decrease (-) in stock | - | 3,038 | 3,038 |
| Increase (+) / Decrease (-) in debtors | 4,971 | 4,971 | 4,971 |
| Increase (-) / Decrease (+) in creditors | 6,169 | 6,169 | 6,169 |
| Use of provisions | 12,528 | - | - |
| Total accruals to cash adjustments | -140,264 | -100,764 | -86,048 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 10,303,129 | 9,823,212 | 8,943,506 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------------------|------------------------|------------------------------|------------------------|----------------------------|------------------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | 156,000 | <i>156,000</i> | 157,256 | <i>157,256</i> | 7,699 | <i>7,699</i> |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | 62,708 | <i>62,708</i> | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | 156,000 | <i>156,000</i> | 219,964 | <i>219,964</i> | 7,699 | <i>7,699</i> |

Forecast Operating Cost Statement

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|---------------------------------------|----------------------|----------------------|--------------------|
| Net Administration Costs | | | |
| RfR 1 | 385,039 | 394,600 | 395,669 |
| Total Net Administration costs | 385,039 | 394,600 | 395,669 |
| Net Programme Costs | | | |
| RfR 1 | 9,737,070 | 9,347,397 | 8,496,022 |
| Non-voted | -156,000 | -157,256 | -7,699 |
| Total Net Programme costs | 9,581,070 | 9,190,141 | 8,488,323 |
| Total Net Operating Cost | 9,966,109 | 9,584,741 | 8,883,992 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 10,122,109 | 9,741,997 | 8,891,691 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | -156,000 | -157,256 | -7,699 |
| Resource Budget | 9,608,814 | 9,027,351 | 8,620,260 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 10,122,109 | 9,741,997 | 8,891,691 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | -156,000 | -157,256 | -7,699 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 9,966,109 | 9,584,741 | 8,883,992 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | -249,903 | -271,328 | -79,485 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | -9,669 | -9,719 | -8,014 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | 1,000 | 9,256 | 5,261 |
| Resource consumption of non departmental public bodies | -159,331 | -266,727 | -181,494 |
| Unallocated resource provision | 65,106 | - | - |
| Other adjustments | -4,498 | -18,872 | - |
| Resource Budget (Budget) | 9,608,814 | 9,027,351 | 8,620,260 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 9,065,914 | 8,659,454 | 8,329,510 |
| Annually Managed Expenditure (AME) | 542,900 | 367,897 | 290,750 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 321,284 | 181,979 | 137,863 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | 204,999 | 262,589 | 251,694 |
| Capital grants | 249,903 | 271,328 | 79,485 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | 73,316 | 28,918 | 123,201 |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | 4,498 | 18,872 | - |
| Capital Budget (Budget) | 854,000 | 763,686 | 592,243 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 854,000 | 763,686 | 592,243 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Sir David Normington, Permanent Head of Department

Sir David Normington as the Accounting Officer of the Home Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Home Office.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Working together to protect the public | | | |
| Administration | 99,986 | 108,148 | 376,747 |
| <i>of which:</i> | | | |
| Sale of goods and services | 99,986 | 107,080 | 31,183 |
| Regulatory licences, fines, penalties and taxes | - | - | 345,564 |
| Interest and dividends | - | 1,068 | - |
| Programme | 752,727 | 862,167 | 387,267 |
| <i>of which:</i> | | | |
| Sale of goods and services | 362,646 | 425,367 | 387,266 |
| Regulatory licences, fines, penalties and taxes | 382,379 | 388,000 | - |
| Interest and dividends | 1,100 | 3,900 | - |
| Pension scheme related income | 6,100 | - | 1 |
| Other income (including receipts) | 502 | 44,900 | - |
| Total RfR 1 | 852,713† | 970,315 | 764,014 |
| <p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from government departments, overseas Governments, sale and hire of vehicles, plant, machinery, land and buildings, rent, accommodation charges, sale of equipment and scrap, recoveries of VAT, tax rebates, recovery of salaries of staff on loan or seconded to outside bodies, repayment services, payments for information and publications, private telephone calls, vending machines, telex, telephone, postal and bank charge recoveries, tax rebates.</p> <p>Also: European Fast Stream receipts from the Cabinet Office, subsidies under the Welfare to Work programme, contributions towards grant programmes, training services, profit on the sale of capital assets, compensation and insurance, contributions towards criminal justice system initiatives, rebates and commission from service contracts, payments from Health Authorities, payments from the Scottish Executive, Northern Ireland Office and the National Assembly for Wales and from the Learning and Skills Council, the Heritage Lottery Fund and Sport England.</p> <p>Payment of dividends and repayment of principal and interest on the deemed and long-term loans by the Forensic Science Service, receipts from police training courses and repayment services, police examinations board, Police National Computer Organisation repayment services, loan of specialised equipment, repayment of support for Police Dependents Trust, National Identification Bureau-subject access fees, HM Inspectorate of Constabulary inspection, Superintendents Association contribution to police negotiating machinery, research repayment services and sub-bureaux contributions to Interpol subscription, payments in respect of the lease of Allington Towers, fees for licence for production, supply, possession, import and export of controlled drugs, police services superannuation transfer values received from local authorities, fees for documents of identity: receipts under the Data Protection Acts 1984 and 1998 and Freedom of Information Act 2000.</p> <p>Charges for provision of additional (or special) immigration services, receipts in connection with the Channel Tunnel, from carrying companies for any expenses incurred in respect of certain persons detained or liable to be detained under Immigration Act 1971 and Immigration and Nationality Act 1999, fees under the British Nationality Acts 1948 and 1981, fees for Certificates of Entitlement for Right of Abode, fees for passports in respect of services to individual applicants, fees for work permits and after entry charges under the Asylum and Immigration Act 2002, recoveries related to passport search fees, receipts under the Misuse of Drugs Act 1971, fees payable to the Commissioner for the Registration of Immigration Advisors.</p> | | | |
| Total Operating A in A | 852,713 | 970,315 | 764,014 |

Notes to the Main Estimate (*continued*)

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Working together to protect the public | | | |
| Programme | - | 1,193 | - |
| <i>of which:</i> | | | |
| Loan, etc, repayments | - | 1,193 | - |
| Total RfR 1 | - | 1,193 | - |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|----------------|----------------|----------------|----------------|--------------|--------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Regulatory fees ^Φ | 155,000 | 155,000 | 148,000 | 148,000 | 2,438 | 2,438 |
| Carriers liability receipts [●] | 1,000 | 1,000 | 9,256 | 9,256 | 5,261 | 5,261 |
| Passport fees [●] | - | - | 62,708 | 62,708 | - | - |
| Total | 156,000 | 156,000 | 219,964 | 219,964 | 7,699 | 7,699 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|-----------|-----------|-----------|
| | Voted | Non-voted | Total |
| Resource DEL | 8,284,228 | 781,686 | 9,065,914 |
| <i>of which: †</i> | | | |
| Administration budget | 385,039 | 44,010 | 429,049 |
| Near-cash in RDEL | 8,120,296 | 743,618 | 8,863,914 |
| Capital DEL †† | 575,685 | 278,315 | 854,000 |
| Less Depreciation ††† | -108,241 | -56,284 | -164,525 |
| Total DEL | 8,751,672 | 1,003,717 | 9,755,389 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £10,122,109,000 is 3.9 per cent higher than the final net provision for 2007-08 of £9,741,997,000 and 5.1 per cent higher than the forecast outturn for 2007-08 of £9,632,788,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 852,713 | 971,508 | 764,014 |

Notes to the Main Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|-------------|---|-------|
| RfR1 - E3 | Grant to the Independent Custody Visiting Association | 150 |
| RfR1 - E3 | Grant to the Council for the Registration of Forensic Practitioners | 300 |
| RfR1 - E3 | National Appropriate Adult Network | 75 |
| RfR1 - E3 | UK Central Authority | 185 |
| RfR1 - E3 | NSPCC Advice Line | 100 |

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|---|---------|
| RfR1 - Q | Independent Police Complaints Commission ♥ | 31,747 |
| RfR1 - R | Serious Organised Crime Agency ♥ | 442,452 |
| RfR1 - S | Office of the Immigration Services Commissioner ♥ | 3,481 |
| RfR1 - U | National Policing Improvement Agency ♥ | 540,605 |
| RfR1 - V | Independent Safeguarding Authority ♥ | 12,626 |

Notes to the Main Estimate (*continued*)

Contingent liabilities

| Nature of Liability | £'000 |
|--|---|
| <p>The Home Office has entered into the following contingent liabilities by offering guarantee, indemnities or by given letters of comfort. None of these is a contingent liability within the meaning of FRS12 since the possibility of a transfer of economic benefit in settlement is too remote.</p> | |
| <p>Non-statutory liabilities</p> | |
| <p>Indemnity provided to the British Airports Authority ("BAA") in respect of damage or injury caused to third parties and BAA's own employees arising from the negligence of the then Immigration and Nationality Directorate, now Border and Immigration Agency, in their use of vehicles operating airside whilst transporting immigration officers between various airside locations.</p> | <p>50,000 per incident (third parties)</p> |
| <p>Indemnity provided to the British Airports Authority ("BAA") in respect of damage or injury caused to third parties and BAA's own employees arising from the negligence of the then Immigration and Nationality Directorate, now Border and Immigration Agency, in their use of vehicles operating airside whilst transporting immigration officers between various airside locations.</p> | <p>2,000 per incident (BAA's own employees)</p> |
| <p>Indemnity provided to the British Airports Authority in respect of damage or injury caused to third parties arising from the negligence of Home Office staff in their use of vehicles operating airside in respect to Programme Cyclamen.</p> | <p>up to 50,000 per incident</p> |
| <p>Home Office Central London Accommodation Strategy ("HOCLAS"). The Home Office has undertaken to pay up to £1,000,000 worth of redundancy costs incurred by the contractor in the event that the Home Office reduces the scope of services required of the contractor. (Minute dated 23rd January 2002)</p> | <p>1,000</p> |
| <p>The Security Industry Authority ("SIA") registered a contingent liability concerning the effect of TUPE with certain local authority staff who transfer to the private contractors working for the SIA. (Minute dated 8th May 2003)</p> | <p>3,000</p> |
| <p>The Airwave contract: potential costs of its failure</p> | <p>500,000</p> |
| <p>The Sirius computer maintenance contract: potential costs if the contract was terminated.</p> | <p>12,000</p> |
| <p>Indemnity in respect of rolling out the Airwave on the London Underground network</p> | <p>up to 100,000 per incident</p> |
| <p>Guarantee to the Metropolitan Police Authority in respect of the Forensic Science Service Limited's tenancy in Lambeth Road, London (minute laid 26th November 2007)</p> | <p>10,300</p> |

Indemnities provided to various site authorities of, and terminal operators at **seaports and London City Airport** for any loss, liability cost, expense or damage arising from the installation of Project Cyclamen. up to 5,000 per installation.

The following liabilities are judged to be unquantifiable:

Home Office Central London Accommodation Strategy ("HOCLAS"). The Home Office has indemnified the contractor for an unquantifiable amount against any financial loss arising from the Home Office providing defective information in respect of the contract. (Minute 23rd January 2002)

IND New Detection Technology in Belgium and Eire. (Minute 10th September 2003) All NDT equipment is loaned by the United Kingdom Immigration Service to recipients:

Zeebrugge: Heartbeat equipment and building. Zeebrugge: One Passive Millimetric Wave Imager Truck;

Rosslare: One Passive Wave Millimetric Wave Imager Truck

IND New Detection Technology in Belgium, Holland and Germany. (Minute 18th December 2003) All NDT equipment is loaned by the United Kingdom Immigration Service to recipients:

Zeebrugge: Fuher heartbeat equipment and building;

Ostend and Zeebrugge: Heartbeat equipment and shelters;

Vlissingen: Heartbeat equipment and shelters.

Germany: Polish Frontier Two Passive Millimetric Wave Imager Trucks

IND New Detection Technology in France. (Minute 18 December 2003) All NDT equipment is loaned by the United Kingdom Immigration Service to recipients

Action with UK and French Memorandum of Understanding

Calais: heartbeat equipment and building, Passive Millimetric Wave Imager trucks ;

Coquelles: heartbeat detection unit at the Eurotunnel operated in the juxtaposed control zone by the UKIS.

Action since English/French convention signed 24 November 2003

Calais: Heartbeat equipment and two buildings in juxtaposed control zone to be operational Spring 2004;

Caen/Quistreham: Passive Millimetric Wave Imager to commence Spring 2004;

Caen/Quistreham: Heartbeat equipment and building to commence operation in Summer 2004

Cherbourg: Passived Millimetric Wave Imager to commence operation in Spring 2004;

Cherbourg: Heartbeat equipment and building to commence operation in Summer 2004;

Dieppe: Heartbeat equipment and building to commence operation in Summer 2004;

Dunkerque: Heartbeat equipment and building to commence operation in Summer 2005. Heartbeat equipment and building operated by the UKIS in the juxtaposed control zone and commence operation in Spring 2004;

Le Havre: Passive Millimetric Wave Imager, Heartbeat equipment and building to commence operation in Spring 2004;

Roscoff: Heartbeat equipment and building to commence operation in Summer 2004;

St Malo: CO2 probes to be operated by French operators.

IND New Detection Technology France and Austria. (Minute 16th March 2004) All NDT equipment is loaned by the United Kingdom Immigration service to recipients.

Coquelles: Shelter for and heartbeat detection equipment which is under control of, and operated by, the United Kingdom Immigration Service in the juxtaposed control zone;

Austria: Austrian Border Guard receive one Passive Millimetric Wave Imager truck (previously in Germany) for an unspecified period.

Police - City of London Economic Crime Basic Command Unit (“ECBCU”) If the Home Office reduces or discontinues its share of the match funding of the expanded ECBCU then it will contribute up to 50% to any resulting costs, e.g. redundancy payment or property costs. (Minute 12th March 2004)

IND New Detection Technology in Europe. Indemnity in respect of the deployment and/or demonstration of New Detection Technology by the United Kingdom Immigration Service in Europe (within the scope of this indemnity “Europe” is defined as: the member states of the Organisation for Security and Co-operation in Europe; those North African and Middle Eastern countries with which OSCE has special relationships (Algeria, Egypt, Israel, Jordan, Morocco & Tunisia); and those countries which participate in Euro-Mediterranean dialogue with the Council of Europe (Libya, Syria, Lebanon and the Palestinian Authority). (Minute 2nd July 2004)

Kent Police and Kent Police Authority. Indemnity for Kent Police, and the Kent Police Authority, in respect of any financial liability arising from their giving evidence in respect of Eurotunnel arbitration claim. (Minute 10th October 2005)

Harmondsworth and Campsfield Inquiry Team Indemnity provided to the Chairman and members of the team carrying out, in good faith and honesty, the inquiry into the disturbances at the Harmondsworth and Campsfield Immigration Removal Centres. (Minute 4th July 2007).

Serious Organised Crime Agency to issue unlimited indemnities to third parties for using their facilities for firearms training.

Charity Commission

Introduction

1. This Estimate provides for both the resource and capital costs of the Charity Commission for England and Wales. The Commission is the statutory body that regulates charities. It aims to provide the best possible regulation of charities in England and Wales to increase their effectiveness and public confidence in them. In doing so, the Commission seeks to ensure that charities operate within a framework which enables them to work effectively for their proper purposes, and helps them to modernise and change to meet new demands and keep pace with economic and social developments. The Commission maintains an electronic public register of charities; provides guidance and advice to charities; monitors their activities through their accounts and annual reports; and seeks to identify and investigate any dishonesty or deliberate fraud that may endanger charitable assets. The Commission uses its expertise and knowledge to promote the effective regulation of charities by providing guidance and advice to other regulators and similar bodies.
2. The work of the Commission is governed by statute. The Commissioners are appointed by the Home Secretary, but their role is independent, although their decisions can be challenged in the High Court. Further information on expenditure can be found in tables of the Charity Commission Annual Report 2008, due to be published in July 2008.
3. Symbols are explained in the Introduction to this booklet.

Charity Commission

Part I

| | £ |
|--|-------------------|
| Request for Resources 1: Giving the public confidence in the integrity of charity | 30,971,000 |
| Total net resource requirement | 30,971,000 |
| Net cash requirement | 30,521,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Charity Commission on:

RfR 1: Giving the public confidence in the integrity of charity

Administration, capital expenditure and associated non-cash items.

The **Charity Commission** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-------------------|------------------------------------|------------------------|
| RfR 1 | 30,971,000 | 13,609,000 | 17,362,000 |
| Total net resource requirement | 30,971,000 | 13,609,000 | 17,362,000 |
| Net cash requirement | 30,521,000 | 13,783,000 | 16,738,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|--|------------------|--------|-------------|--------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Giving the public confidence in the integrity of charity | | | | | | | | | |
| 31,971 | - | - | 31,971 | 1,000 | 30,971 | 700 | - | 34,343 | 30,955 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Administration | | | | | | | | | |
| 31,971 | - | - | 31,971 | 1,000 | 30,971 | 700 | - | 34,343 | 30,955 |
| Total for Estimate: | | | | | | | | | |
| 31,971 | - | - | 31,971 | 1,000 | 30,971 | 700 | - | 34,343 | 30,955 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 30,971 | 34,343 | 30,955 |
| Voted capital items | | | |
| Capital | 700 | 1,100 | 929 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 700 | 1,100 | 929 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -150 | -88 | -165 |
| Depreciation | -820 | -650 | -985 |
| New provisions and adjustments to previous provisions | - | -2,693 | -712 |
| Profit/loss on sale of assets | - | - | -9 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -180 | -180 | -60 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | 17 |
| Increase (-) / Decrease (+) in creditors | - | - | -442 |
| Use of provisions | - | - | 698 |
| Total accruals to cash adjustments | -1,150 | -3,611 | -1,658 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 30,521 | 31,832 | 30,226 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|----------------------|-----------------|----------------------|-----------------|--------------------|-----------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | 248 | 248 |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | - | - | 248 | 248 |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 30,971 | 34,343 | 30,955 |
| Non-voted | - | - | -248 |
| Total Net Administration costs | 30,971 | 34,343 | 30,707 |
| Total Net Operating Cost | 30,971 | 34,343 | 30,707 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 30,971 | 34,343 | 30,955 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | -248 |
| Resource Budget | 30,971 | 34,343 | 30,698 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 30,971 | 34,343 | 30,955 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | -248 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 30,971 | 34,343 | 30,707 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -9 |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 30,971 | 34,343 | 30,698 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 30,971 | 34,343 | 30,698 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 700 | 1,100 | 929 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 700 | 1,100 | 929 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 700 | 1,100 | 929 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Andrew Hind, Chief Executive of the Charity Commission

Andrew Hind as the Accounting Officer of the Charity Commission has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Charity Commission.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Giving the public confidence in the integrity of charity | | | |
| Administration | 1,000 | 1,220 | 470 |
| <i>of which:</i> | | | |
| Sale of goods and services | 1,000 | 1,220 | 470 |
| Total RfR 1 | 1,000† | 1,220 | 470 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sale of copies of documents, and amounts which relate to the Foreign and Commonwealth Office/Charity Commission joint International Outreach project, amounts which relate to funding from the Department of Government and Local Communities for the Faith and Social Cohesion Unit and sub-letting of part of the London building.</i> | | | |
| Total Operating A in A | 1,000 | 1,220 | 470 |

Notes to the Main Estimate (*continued*)
Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Additional Funds from the International Programme Φ | - | - | - | - | 248 | 248 |
| Total | - | - | - | - | 248 | 248 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|---------------|------------------|---------------|
| | Voted | Non-voted | Total |
| Resource DEL | 30,971 | - | 30,971 |
| <i>of which: †</i> | | | |
| Administration budget | 30,971 | - | 30,971 |
| Near-cash in RDEL | 29,821 | - | 29,821 |
| Capital DEL †† | 700 | - | 700 |
| Less Depreciation ††† | -820 | - | -820 |
| Total DEL | 30,851 | - | 30,851 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £30,971,000 is 9.8 per cent lower than the final net provision for 2007-08 of £34,343,000 and 6.1 per cent higher than the forecast outturn for 2007-08 of £29,202,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 1,000 | 1,220 | 470 |

Ministry of Justice

Introduction

RfR1: To promote the development of a modern, fair, cost effective and efficient system of justice for all

1. RfR1 covers the cost of the Ministry of Justice and eight associated offices (the Council on Tribunals; Law Commission, Legal Services Ombudsman; Legal Services Complaints Commissioner; Office of Court Funds, Official Solicitor and Public Trustee; Her Majesty's Inspectorate of Court Administration; Office of the Judge Advocate General and the Judicial Studies Board); payments to the General Commissioner of Income Tax in Great Britain and Northern Ireland; Her Majesty's Courts Service; Tribunal Services; the administration of private monies through the Office of the Public Guardianship and Court of Protection; grants to the Criminal Defence Service and Community Legal Service, including the administrative grant in aid paid to the Legal Services Commission; grant in aid paid to the Office of the Information Commissioner; grant in aid paid to the Judicial Appointments Commission; grants paid to the Probation Service, Youth Justice Board, Parole Board, Criminal Injuries Compensation Authority and the Criminal Cases Review Commission; Office for Criminal Justice Reform; Her Majesty's Prison Service; and the National Offender Management Service.

2. It covers the cost of administration for the Ministry of Justice: Judicial Pensions Scheme Supply Estimate. The full cost of this administration is offset by appropriations in aid received from the scheme.

3. It covers the provision for the cost of acquitted defendants, private prosecution costs and witnesses' allowances payable from central funds and specific grants towards the costs of magistrates' courts.

4. The salaries of the higher judiciary and stipendiary magistrates are met directly from the Consolidated Fund. This expenditure is estimated at £88 million for 2008-09.

5. Expenditure for the criminal justice system is contained within the Ministry of Justice Estimate (as well as those Estimates for the Crown Prosecution Service and the Home Office).

RfR2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interest of Scotland within the UK Government

6. RfR2 provides for the administration costs of the Scotland Office and the Office of the Advocate General for Scotland; the salaries of the Parliamentary Under-Secretary of State for Scotland and the Advocate General for Scotland; the costs of the Boundary Commission for Scotland; and a grant to the Scottish Consolidated Fund.

RfR3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales

7. RfR3 provides for the administration costs of the Wales Office; the salary of the Parliamentary Under-Secretary of State for Wales; and payments to the Welsh Consolidated Fund.

8. Further details of the expenditure contained in this Estimate can be found in the Ministry of Justice Departmental Report 2008, the Scotland Office Departmental Report 2008 and the Wales Office Annual Report 2008.

9. Symbols are explained in the introduction to this booklet.

Ministry of Justice

Part I

| | £ |
|---|-----------------------|
| Request for Resources 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all | 9,049,089,000 |
| Request for Resources 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government | 24,704,413,000 |
| Request for Resources 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales | 12,176,475,000 |
| Total net resource requirement | 45,929,977,000 |
| Net cash requirement | 45,831,356,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Ministry of Justice on:

RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all

HQ and associated offices; administration of the Judicial Pension Scheme, administration of the Office of the Information Commissioner and the Judicial Appointments Commission, HM Courts Service as formed under the Courts Act 2003 and associated activities including fine income netting off and asset recovery incentive scheme, receipts under the victims surcharge, pre-1990 loan charges debt payments, Justices Clerks' Societies, Proportionate Dispute Resolution project, Wider Markets Initiatives; Section 31 grants to Local Authorities; the Office of the Public Guardian and Court of Protection.

Offices of Court Funds, Official Solicitors and Public Trustee; Legal Aid paid through the Criminal Defence Service and Community Legal Service; administration for the Legal Services Commission. Payment of Grant and grant in aid to organisations promoting Ministry of Justice objectives including NDPBs, administration of central government tribunals via the Tribunals Service (including Asylum); costs paid from central funds; the Appellate Committee of the House of Lords and the Judicial Committee of the Privy Council; costs in relation to constitutional offices; democracy and constitution, human rights workshops and surveys; promotion of information rights, electoral policy; research into constitution settlement/devolution; European and international judicial policy; EU Presidency events.

Judicial Exchange programmes; research on behalf of the British Institute of International and Competition Law; Constitutional education programmes within schools; costs in relation to the policy on the conduct of all national elections and referendums in the UK and local elections; referenda in England and Wales (except mayoral Referenda in Wales); proposals under the Electoral Administration Bill, including the establishment and maintenance of the Co-ordinated on-line record of Electors (CORE); funding of voting pilots, policy on coroner and cremation services; support to Local Authorities for additional coroner work, payments in relation to the royal inquest, applications for exhumations, cremated repatriated remains and the closing of burial grounds, other legal services; joint initiatives in the Criminal Justice System.

Criminal Policy and Programmes including offender programmes and the National Probation Service; the Prevention and treatment of drug abuse; crime reduction and prevention; Criminal Injuries Compensation, Criminal Cases Review Commission, counter terrorism and intelligence.

Payments to local authorities in respect of local area agreements, secure accommodation placements, Prisons, Prison Service College, the Parole Board, Youth Justice Board, grants to 'Prisoners abroad', welfare to work schemes, payments to other government departments and associated non-cash items.

RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government

Administration; the Boundary Commission for Scotland; payments of a grant to the Scottish Consolidated Fund; and associated non-cash items.

RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales

Administration; Lord Lieutenants' expenditure; payments of a grant to the Welsh Consolidated Fund; and associated non-cash items.

The **Ministry of Justice** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-----------------------|------------------------------------|------------------------|
| RfR 1 | 9,049,089,000 | 4,030,970,000 | 5,018,119,000 |
| RfR 2 | 24,704,413,000 | 11,079,072,000 | 13,625,341,000 |
| RfR 3 | 12,176,475,000 | 5,338,682,000 | 6,837,793,000 |
| Total net resource requirement | 45,929,977,000 | 20,448,724,000 | 25,481,253,000 |
| Net cash requirement | 45,831,356,000 | 20,443,068,000 | 25,388,288,000 |

£

Part II: Subhead detail

£'000

| | | | | | | | | | 2007-08 | 2006-07 |
|--|---|-----------|-------------|-----------|-----------|---------|---------------|-----------|-----------|---------|
| | | | | | | | | | Provision | Outturn |
| 2008-09 | | | | | | | | | | |
| Provision | | | | | | | | | | |
| Resources | | | | | | Capital | | | | |
| Admin | Other | Grants | Gross Total | A in A | Net Total | Capital | Non-operating | Net Total | Net Total | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | A in A | Resources | Resources | |
| | | | | | | | 8 | 9 | 10 | |
| RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all | | | | | | | | | | |
| 446,253 | 6,020,010 | 3,669,016 | 10,135,279 | 1,086,190 | 9,049,089 | 674,734 | 26,000 | 9,552,676 | 8,387,545 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| A | Headquarters and Associated Offices | | | | | | | | | |
| 230,541 | 224,979 | - | 455,520 | 98,220 | 357,300 | 15,134 | 100 | 843,184 | 399,025 | |
| B | HM Courts Service | | | | | | | | | |
| 18,000 | 1,597,180 | - | 1,615,180 | 643,940 | 971,240 | 168,600 | 15,900 | 988,595 | 804,716 | |
| C | Office of the Public Guardian and Court of Protection | | | | | | | | | |
| - | 21,600 | - | 21,600 | 20,500 | 1,100 | 500 | - | 1,127 | 961 | |
| D | Costs from Central Funds | | | | | | | | | |
| - | 45,000 | - | 45,000 | - | 45,000 | - | - | 45,000 | 91,208 | |
| E | Tribunals Service | | | | | | | | | |
| 26,000 | 301,100 | - | 327,100 | 29,630 | 297,470 | 3,000 | - | 302,929 | 277,789 | |
| F | Princess of Wales Inquest | | | | | | | | | |
| 3,000 | - | - | 3,000 | - | 3,000 | - | - | 6,641 | - | |
| G | Criminal Justice Reform | | | | | | | | | |
| 18,873 | 111,798 | - | 130,671 | - | 130,671 | 35,500 | - | 145,273 | 115,542 | |
| H | National Offender Management Service HQ | | | | | | | | | |
| 74,826 | 1,501,555 | - | 1,576,381 | 55,000 | 1,521,381 | 436,000 | 10,000 | 1,121,858 | 906,926 | |
| I | Prisons - Private Sector | | | | | | | | | |
| 1,080 | 161,934 | - | 163,014 | - | 163,014 | - | - | 259,013 | 233,794 | |
| J | Prisons - Public Sector | | | | | | | | | |
| 73,933 | 2,054,864 | - | 2,128,797 | 238,900 | 1,889,897 | 16,000 | - | 2,057,504 | 1,913,833 | |
| | <i>Probation HQ</i> | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | 47,499 | |
| | <i>Crime Reduction Grants</i> | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | 24 | |
| | <i>Criminal Justice Grants</i> | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | 484 | |
| Support for Local Authorities | | | | | | | | | | |
| <i>CORE Capital Grants to Local Authorities</i> | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 2,000 | 1,008 | |

Part II: Subhead detail

£'000

| | | | | | | | | | | 2007-08 | 2006-07 | | | |
|---|---|--------|-------------|------------|------------|---------|--------|------------|-----------|-----------|------------|------------|-----------|-----------|
| | | | | | | | | | | Provision | Outturn | | | |
| | | | | | | | | | | 2008-09 | | | | |
| | | | | | | | | | | Provision | | | | |
| | | | | | | | | | | Resources | Capital | Non- | Net Total | Net Total |
| | | | | | | | | | | Capital | operating | Resources | Resources | |
| Admin | Other | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | | | | |
| Non-Budget | | | | | | | | | | | | | | |
| K | Legal Services Commission: Administration | - | - | 122,030 | 122,030 | - | - | 122,030 | - | - | 124,800 | 112,810 | | |
| L | Criminal Defence Service | - | - | 1,158,010 | 1,158,010 | - | - | 1,158,010 | - | - | 1,153,246 | 1,171,844 | | |
| M | Community Legal Service | - | - | 867,186 | 867,186 | - | - | 867,186 | - | - | 896,532 | 807,315 | | |
| N | Information Commissioner's Office | - | - | 5,000 | 5,000 | - | - | 5,000 | - | - | 5,050 | 5,550 | | |
| O | Judicial Appointments Commission | - | - | 7,000 | 7,000 | - | - | 7,000 | - | - | 7,130 | 6,104 | | |
| P | Parole Board | - | - | 8,000 | 8,000 | - | - | 8,000 | - | - | 7,789 | 6,281 | | |
| Q | National Probation Services (local area boards) | - | - | 860,990 | 860,990 | - | - | 860,990 | - | - | 881,090 | 849,305 | | |
| R | Youth Justice Board | - | - | 443,000 | 443,000 | - | - | 443,000 | - | - | 446,621 | 409,513 | | |
| S | Criminal Injuries Compensation Authority | - | - | 190,800 | 190,800 | - | - | 190,800 | - | - | 248,289 | 220,750 | | |
| T | Criminal Cases Review Commission | - | - | 7,000 | 7,000 | - | - | 7,000 | - | - | 6,815 | 6,745 | | |
| | <i>Loan charges</i> | - | - | - | - | - | - | - | - | - | 2,190 | -1,481 | | |
| RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government | | | | | | | | | | | | | | |
| | | 8,424 | 300 | 24,697,289 | 24,706,013 | 1,600 | - | 24,704,413 | 100 | - | 25,017,459 | 21,757,912 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | | | | |
| A | Scotland Office | 4,403 | - | - | 4,403 | 500 | - | 3,903 | 100 | - | 5,324 | 3,858 | | |
| B | Office of the Advocate General | 4,021 | - | - | 4,021 | 1,100 | - | 2,921 | - | - | 2,100 | 1,935 | | |
| C | Boundary Commission for Scotland | - | 300 | - | 300 | - | - | 300 | - | - | 300 | 119 | | |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|---|------------|-------------|-----------|------------|----------------------|--------------------|------------|------------|
| Resources | | | | | | Capital | Non-operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Non-Budget | | | | | | | | | |
| D | Grant payable to the Scottish Consolidated Fund | | | | | | | | |
| - | - | 24,697,289 | 24,697,289 | - | 24,697,289 | - | - | 25,009,735 | 21,752,000 |
| RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales | | | | | | | | | |
| 7,623 | 60 | 12,168,792 | 12,176,475 | - | 12,176,475 | 766 | - | 11,993,552 | 13,947,768 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Wales Office | | | | | | | | |
| 7,623 | 60 | - | 7,683 | - | 7,683 | 766 | - | 5,339 | 4,395 |
| Non-Budget | | | | | | | | | |
| B | Grant payable to the Welsh Consolidated Fund | | | | | | | | |
| - | - | 12,168,792 | 12,168,792 | - | 12,168,792 | - | - | 11,988,213 | 13,943,373 |
| Total for Estimate: | | | | | | | | | |
| 462,300 | 6,020,370 | 40,535,097 | 47,017,767 | 1,087,790 | 45,929,977 | 675,600 | 26,000 | 46,563,687 | 44,093,225 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 45,929,977 | 46,563,687 | 44,093,225 |
| Voted capital items | | | |
| Capital | 675,600 | 1,032,516 | 520,386 |
| Less Non-operating A-in-A | 26,000 | 33,000 | 19,181 |
| Total net voted capital | 649,600 | 999,516 | 501,205 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -359,852 | -372,304 | -286,238 |
| Depreciation | -378,527 | -338,389 | -323,081 |
| New provisions and adjustments to previous provisions | -86,430 | -183,947 | -101,040 |
| Profit/loss on sale of assets | - | - | 6,091 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -12 | -328 | -3,148 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | 29,383 | - |
| Use of provisions | 76,600 | 113,307 | 94,544 |
| Total accruals to cash adjustments | -748,221 | -752,278 | -612,872 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 45,831,356 | 46,810,925 | 43,981,558 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|----------------|------------------------|----------------|------------------------|----------------|------------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | - | - |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | 244,373 | <i>244,373</i> | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | 244,373 | <i>244,373</i> | - | - |

Forecast Operating Cost Statement

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|---------------------------------------|----------------------|----------------------|--------------------|
| Net Administration Costs | | | |
| RfR 1 | 422,853 | 466,626 | 410,371 |
| RfR 2 | 6,824 | 7,424 | 5,793 |
| RfR 3 | 7,623 | 5,339 | 4,366 |
| Total Net Administration costs | 437,300 | 479,389 | 420,530 |
| Net Programme Costs | | | |
| RfR 1 | 8,626,236 | 8,883,617 | 7,977,174 |
| RfR 2 | 24,697,589 | 25,010,035 | 21,752,119 |
| RfR 3 | 12,168,852 | 11,988,213 | 13,943,402 |
| Non-voted | 88,000 | 88,000 | 128,680 |
| Total Net Programme costs | 45,580,677 | 45,969,865 | 43,801,375 |
| Total Net Operating Cost | 46,017,977 | 46,449,254 | 44,221,905 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 45,929,977 | 46,563,687 | 44,093,225 |
| Non-voted expenditure | 88,000 | 88,000 | 128,680 |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 9,127,756 | 8,936,921 | 8,147,846 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 45,929,977 | 46,563,687 | 44,093,225 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | 88,000 | 88,000 | 128,680 |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Reduction to reflect underspending | - | -202,433 | - |
| Net Operating Cost (Accounts) | 46,017,977 | 46,449,254 | 44,221,905 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | 6,091 |
| Capital grants | - | -2,000 | -1,727 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | -36,866,081 | -36,997,948 | -36,543,197 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | -24,140 | -513,260 | 446,013 |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | 875 | 18,761 |
| Resource Budget (Budget) | 9,127,756 | 8,936,921 | 8,147,846 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 9,127,756 | 8,936,046 | 8,147,846 |
| Annually Managed Expenditure (AME) | - | 875 | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 649,600 | 999,516 | 501,205 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | 32,000 | 35,615 | 27,050 |
| Capital grants | - | 2,000 | 1,727 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 681,600 | 1,037,131 | 529,982 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 681,600 | 1,037,131 | 529,982 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

- Request for Resources 1:** Sir Suma Chakrabarti, Permanent Head of Department
- Request for Resources 2:** David Middleton, Head of Scotland Office
- Request for Resources 3:** Alan Cogbill, Head of Wales Office

Sir Suma Chakrabarti as the Principal Accounting Officer of the Ministry of Justice has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of the Ministry of Justice.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

In accordance with Managing Public Money requirements the relationship between the Principal Accounting Officer and the Additional Accounting Officer(s) and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all | | | |
| Administration | 23,400 | 8,527 | 11,191 |
| <i>of which:</i> | | | |
| Sale of goods and services | 23,400 | 8,527 | 11,191 |
| Programme | 1,062,790 | 1,111,595 | 1,094,186 |
| <i>of which:</i> | | | |
| Sale of goods and services | 1,062,790 | 1,111,595 | 1,094,186 |
| Total RfR 1 | 1,086,190† | 1,120,122 | 1,105,377 |

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Civil court fees; receipts in relation to the victims surcharge, charges and receipts received; fees charged by the Public Trustee, recoveries by the Official Solicitor fees charged by the Office of the Public Guardian and Court of Protection; recoveries from the Debt Management Office for the cost of administering funds in court; recovery from the investment managers for the cost of administering the Commons Investment Schemes; recoveries for research and recommendation work undertaken by the Law Commission.

Recoveries from the National Insurance Fund for the cost of Social Security Commissioners, income from National Insurance Fund in relation to the Tribunals Appeals Service, fees relating to the Office of the Information Commissioner and receipts in relation to data protection enquiries, fees from nursery facilities and other fees; receipts from rents and receipts of premia on assignment of leases; service charges and site usage; recovery for magistrates' courts accommodation, contributions paid by legally aided defendants in the higher courts.

Receipts of VAT refunds on contracted out services; receipts in respect of judicial superannuation contributions and receipts from the Judicial Pensions Supply Estimate to fund administrative costs; receipts from the European Commission; receipts from all tribunals; receipts under the New Deal Scheme; and receipts from Wider Markets Initiatives.

Receipts from Royal Licences; recovery of costs relating to the Hunting Bill; receipts in relation to Enforcement Improvement schemes; receipts in relation to the devolution Service Level Agreement; receipts in relation to by-election funding; receipts in relation to the use of DDJs as prison adjudicators; receipts in relation to Legal Services Complaints Commission; receipts in relation to the Scottish CICAP remitted to the Tribunals service, receipts in relation to Claims Management Regulation; receipts in relation to Scotland Office secondees; receipts in relation to Data Protection enquiries.

Contributions from the Royal Household in respect of coroners work; receipts from government departments, sale of vehicles, plant, machinery, land and buildings, sale of equipment and scrap, tax rebates, recovery of staff costs for staff on loan or seconded to outside bodies, repayment services, payments for information and publications, private telephone calls, vending machines, telex, postal and bank charge recoveries; and receipts in respect of the Crown Office Fees.

European Fast stream receipts from the Cabinet Office, subsidies under the welfare for work programmes; contributions towards grant programmes and training services; profit on the sales of Capital assets, compensation and insurance, contributions towards criminal justice systems initiatives, rebates and commission from service contracts.

Payments from Health authorities, payments from the Scottish Executive, Northern Ireland Office and the National Assembly for Wales, and from the Learning and Skills Council, the Heritage Lottery Fund and Sport England; share of gross profits from prison shops and from services purchased by staff, etc from the activities of prison industries and farms from the supply of inmate labour and from other goods and services; agricultural subsidies from advertisements in the Prison Service News and from the sale of waste, payments from the Youth Justice Board and income arising from Machinery of Governments changes.

Notes to the Main Estimate (*continued*)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government | | | |
| Administration | 1,600 | 1,600 | 1,164 |
| <i>of which:</i> | | | |
| Sale of goods and services | 1,600 | 1,600 | 1,164 |
| Total RfR 2 | 1,600† | 1,600 | 1,164 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts in respect of rent, payments from other departments for legal services and other receipts.</i> | | | |
| RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales | | | |
| Administration | - | 9 | 14 |
| <i>of which:</i> | | | |
| Sale of goods and services | - | 9 | 14 |
| Total RfR 3 | - | 9 | 14 |
| Total Operating A in A | 1,087,790 | 1,121,731 | 1,106,555 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all | | | |
| Programme | 26,000 | 33,000 | 19,181 |
| <i>of which:</i> | | | |
| Sale of assets | 26,000 | 33,000 | 19,181 |
| Total RfR 1 | 26,000† | 33,000 | 19,181 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: the disposal of land, buildings and surplus equipment.</i> | | | |
| Total Non-Operating A in A | 26,000 | 33,000 | 19,181 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|----------------------|----------------------|----------|----------------------|----------------|--------------------|----------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Magistrates Courts • | - | - | 244,373 | 244,373 | - | - |
| Total | - | - | 244,373 | 244,373 | - | - |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|-----------|-----------|-----------|
| | Voted | Non-voted | Total |
| Resource DEL | 5,394,880 | 3,732,876 | 9,127,756 |
| <i>of which: †</i> | | | |
| Administration budget | 437,300 | - | 437,300 |
| Near-cash in RDEL | 4,570,059 | 3,906,676 | 8,476,735 |
| Capital DEL †† | 649,600 | 32,000 | 681,600 |
| Less Depreciation ††† | -378,527 | -6,000 | -384,527 |
| Total DEL | 5,665,953 | 3,758,876 | 9,424,829 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £45,929,977,000 is 1.4 per cent lower than the final net provision for 2007-08 of £46,563,687,000 and 1.4 per cent higher than the forecast outturn for 2007-08 of £45,315,833,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 1,113,790 | 1,154,731 | 1,125,736 |

Notes to the Main Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|-------------|---|-------|
| RFR1 - N | Fawcett Society | 42 |
| RFR1 - N | National Association for Care & Resettlement of Offenders (NACRO) | 2,413 |

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|--|---------|
| RFR1 - N | Information Commissioner ♥ | 5,000 |
| RFR1 - O | Judicial Appointments Commission ♥ | 7,000 |
| RFR1 - P | Parole Board ♥ | 8,000 |
| RFR1 - Q | National Probation Service Local Area Boards ♥ | 860,990 |
| RFR1 - R | Youth Justice Board ♥ | 443,000 |
| RFR1 - S | Criminal Injuries Compensation Authority ♥ | 190,800 |
| RFR1 - T | Criminal Cases Review Commission ♥ | 7,000 |

Contingent liabilities

| Nature of Liability | £'000 |
|---|----------------|
| The Prisons Service would be liable to meet any uninsured costs incurred by the privately managed prisons | Unquantifiable |
| The National Probation Service has reported the Provision of Indemnity to members of forty two local area Probation Boards to maintain the same status of indemnity that was provided by local authorities. The government has agreed that an individual board member should be indemnified against legal damages and costs arising from advice given, or actions done, honestly and in good faith in the execution of his or her board functions, except where the member has acted recklessly. (Minute 6th June 2005) | Unquantifiable |
| Mubarek Inquiry team Indemnity in relation to any legal action taken against the chairman or members of the Independent Inquiry into the death of Zahid Mubarek at the Feltham Young Offenders Institution. (Minute 10th March 2006) | Unquantifiable |

Ministry of Justice: Judicial Pensions Scheme

Introduction

1. This Estimate covers the payment of pensions and other benefits to persons covered by the Judicial Pensions Scheme (JPS).
2. Provision is made within this Estimate for :
 - a) Interest costs arising on the accruing costs of all judicial pensions during the year. This amount is equivalent to unwinding the discount originally included in the scheme liabilities and accounts for the fact that future pension benefits are one year closer to settlement;
 - b) The increase in the value of the future pension liability (i.e. core pension entitlements and pension increases), earned during the period but payable in the future, with respect to currently serving members of the judiciary whose salaries are paid from departmental resources; and
 - c) The increase in the value of the future pension liability (for pension increases only), earned during the period but payable in the future, with respect to currently serving members of the judiciary whose salaries are met directly from the Consolidated Fund.
3. The Scheme's Appointing Bodies meet the costs of pension cover for their Judicial Office Holders by payments of set charges on an accruals basis. These charges are known as "Accruing Superannuation Liability Charges (ASLCs)". These charges, along with scheme members' contributions, are appropriated in aid on this Estimate.
4. This Estimate assumes that the ASLC rate remains constant at 32.15%, as recommended by the Government Actuary's Department and that the scheme members' contribution rates remain constant at 2.4% and 1.8%.
5. Symbols are explained in the introduction to this booklet.

Ministry of Justice: Judicial Pensions Scheme

Part I

| | £ |
|--|-------------------|
| Request for Resources 1: Judicial Pensions Scheme | 62,949,000 |
| Total net resource requirement | 62,949,000 |
| Net cash requirement | 1,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Ministry of Justice: Judicial Pensions Scheme on:

RfR 1: Judicial Pensions Scheme

Pensions etc, in respect of members of Judicial Pensions Scheme, and for other related services.

The **Ministry of Justice: Judicial Pensions Scheme** will account for this Estimate.

| | £ | | |
|---------------------------------------|-------------------|------------------------------------|------------------------|
| | Net total | Allocated in Vote on Account | Balance to complete |
| RfR 1 | 62,949,000 | 17,792,000 | 45,157,000 |
| Total net resource requirement | 62,949,000 | 17,792,000 | 45,157,000 |
| Net cash requirement | 1,000 | - | 1,000 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|--------------------------|-------------|------------------|-------------|----------------|------------------------------|----------------------------------|-----------------------------|------------------------------|------------------------------|----------------------------|
| 2008-09 Provision | | | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
| Resources | | | | | | Capital Non- operating | | | | | |
| Admin 1 | Other Current 2 | Grants 3 | Gross Total 4 | A in A 5 | Net Total 6 | Capital 7 | Non- operating A in A 8 | Net Total Resources 9 | Net Total Resources 10 | | |
| RfR 1: Judicial Pensions Scheme | | | | | | | | | | | |
| - | - | 146,600 | 146,600 | 83,651 | 62,949 | - | - | 43,036 | 34,373 | | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Judicial Pensions Scheme | | | | | | | | | | |
| - | - | 146,600 | 146,600 | 83,651 | 62,949 | - | - | 43,036 | 34,373 | | |
| Total for Estimate: | | | | | | | | | | | |
| - | - | 146,600 | 146,600 | 83,651 | 62,949 | - | - | 43,036 | 34,373 | | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 62,949 | 43,036 | 34,373 |
| Voted capital items | | | |
| Capital | - | - | - |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | - | - | - |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | - | - | - |
| Depreciation | - | - | - |
| New provisions and adjustments to previous provisions | -146,600 | -124,952 | -110,636 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | - |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | - | - |
| Use of provisions | 29,793 | 25,392 | 20,555 |
| Total accruals to cash adjustments | -116,807 | -99,560 | -90,081 |
| Excess cash to be CFERd | 53,859 | 56,525 | 55,709 |
| Net Cash Requirement | 1 | 1 | 1 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|----------------------|------------------|----------------------|----------------|----------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | - | - |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | <i>53,859</i> | - | <i>56,525</i> | - | <i>55,709</i> |
| Total | - | <i>53,859</i> | - | <i>56,525</i> | - | <i>55,709</i> |

Forecast Combined Revenue Account

| | £'000 | | |
|----------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Programme Costs | | | |
| RfR 1 | 62,949 | 43,036 | 34,373 |
| <i>of which:</i> | | | |
| Income | | | |
| Contributions received | 83,651 | 81,916 | 76,263 |
| Transfers in | - | - | - |
| Other income receivable | - | - | - |
| Total Income | <u>83,651</u> | <u>81,916</u> | <u>76,263</u> |
| Expenditure | | | |
| Increase in liability | 45,600 | 47,952 | 37,636 |
| Interest on scheme liability | 101,000 | 77,000 | 73,000 |
| Other expenditure | - | - | - |
| Total Expenditure | <u>146,600</u> | <u>124,952</u> | <u>110,636</u> |
| Non-voted | <u>68,400</u> | <u>63,048</u> | <u>49,364</u> |
| Total Net Programme costs | 131,349 | 106,084 | 83,737 |
| Total Net Operating Cost | 131,349 | 106,084 | 83,737 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 62,949 | 43,036 | 34,373 |
| Non-voted expenditure | 68,400 | 63,048 | 49,364 |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 131,349 | 106,084 | 83,737 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 62,949 | 43,036 | 34,373 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | 68,400 | 63,048 | 49,364 |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 131,349 | 106,084 | 83,737 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 131,349 | 106,084 | 83,737 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | 131,349 | 106,084 | 83,737 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | - | - | - |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Sir Suma Chakrabarti, Permanent Head of Department

Sir Suma Chakrabarti as the Accounting Officer of the Ministry of Justice: Judicial Pensions Scheme has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Ministry of Justice: Judicial Pensions Scheme.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Judicial Pensions Scheme | | | |
| Programme | 83,651 | 81,916 | 76,263 |
| <i>of which:</i> | | | |
| Pension scheme related income | 83,651 | 81,916 | 76,263 |
| Total RfR 1 | 83,651† | 81,916 | 76,263 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Accruing Superannuation Liability Charges (ASLCs); and scheme members pension contributions.</i> | | | |
| Total Operating A in A | 83,651 | 81,916 | 76,263 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|------------------------|-----------|---------------|-----------|---------------|---------|---------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Excess Cash Receipts • | - | 53,859 | - | 56,525 | - | 55,709 |
| Total | - | 53,859 | - | 56,525 | - | 55,709 |

Notes to the Main Estimate (*continued*)

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £62,949,000 is 46.3 per cent higher than the final net provision for 2007-08 of £43,036,000 and 59.2 per cent higher than the forecast outturn for 2007-08 of £39,539,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 83,651 | 81,916 | 76,263 |

Northern Ireland Court Service

Introduction

1. This Estimate provides for the cost of administering the courts in Northern Ireland, including salaries of staff, construction and maintenance of courthouses, provision of office accommodation and general administrative expenditure. Provision is also made for the cost of jurors and stenographers in the higher courts.
2. This Estimate also provides for the administrative costs of the Pensions Appeals Tribunal, Office of the Social Security and Child Support Commissioners, the Traffic Penalty Tribunal, the Northern Ireland Valuation Tribunal, the Criminal Injuries Compensation Appeals Panel Northern Ireland, the Office of the Commissioner for Judicial Appointments in Northern Ireland, the Fixed Penalty Office, payments to the Civil Superannuation Estimate and the Judicial Pensions Scheme Estimate.
3. The Estimate covers grant paid in respect of publicly funded legal services, including administrative grant in aid to the Northern Ireland Legal Services Commission.
4. This Estimate covers administrative grant in aid paid in respect of the Northern Ireland Judicial Appointments Commission.
5. Direct expenditure from the Consolidated Fund on the salaries and social security costs of the Judiciary in Northern Ireland is estimated at £5,166,000 in 2008-09.
6. Further information can be found in the Corporate Plan and other published documents made available at www.courtsni.gov.uk.
7. Symbols are explained in the Introduction to this booklet.

Northern Ireland Court Service

Part I

| | £ |
|--|--------------------|
| Request for Resources 1: Supporting the effective and efficient administration of justice in Northern Ireland | 125,513,000 |
| Total net resource requirement | 125,513,000 |
| Net cash requirement | 117,562,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Northern Ireland Court Service on:

RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland

Operation of the courts; Pensions Appeal Tribunal; Office of the Social Security and Child Support Commissioners; the Traffic Penalty Tribunal; the Northern Ireland Valuation Tribunal; Criminal Injuries Compensation Appeals Panel Northern Ireland; policy and legislation; accommodation services; grants to sundry bodies and associated non-cash items; grant of funding for the provision of publicly funded legal services; grant in aid to support the administration of the Northern Ireland Legal Services Commission; grant in aid to support the administration of the Northern Ireland Judicial Appointments Commission and costs associated with the XVII World Congress of the International Association of Youth and Family Judges and Magistrates; and associated non-cash costs.

The Northern Ireland Court Service will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|--------------------|------------------------------------|------------------------|
| RfR 1 | 125,513,000 | 54,596,000 | 70,917,000 |
| Total net resource requirement | 125,513,000 | 54,596,000 | 70,917,000 |
| Net cash requirement | 117,562,000 | 52,267,000 | 65,295,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | | 2007-08 Provision | 2006-07 Outturn | |
|--|----------------------------------|--------|-------------|--------|-----------|---------|----------------------|--------------------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland | | | | | | | | | |
| 23,493 | 56,455 | 66,565 | 146,513 | 21,000 | 125,513 | 7,000 | - | 140,884 | 128,946 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Court and other legal services | | | | | | | | |
| 23,493 | 56,455 | 25 | 79,973 | 21,000 | 58,973 | 7,000 | - | 55,122 | 53,431 |
| Non-Budget | | | | | | | | | |
| B | Legal Services Commission | | | | | | | | |
| - | - | 65,000 | 65,000 | - | 65,000 | - | - | 84,262 | 74,082 |
| C | Judicial Appointments Commission | | | | | | | | |
| - | - | 1,540 | 1,540 | - | 1,540 | - | - | 1,500 | 1,433 |
| Total for Estimate: | | | | | | | | | |
| 23,493 | 56,455 | 66,565 | 146,513 | 21,000 | 125,513 | 7,000 | - | 140,884 | 128,946 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 125,513 | 140,884 | 128,946 |
| Voted capital items | | | |
| Capital | 7,000 | 5,990 | 2,294 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 7,000 | 5,990 | 2,294 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -6,293 | -6,083 | -6,001 |
| Depreciation | -8,658 | -8,662 | -10,181 |
| New provisions and adjustments to previous provisions | - | - | - |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | - |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | - | - |
| Use of provisions | - | - | - |
| Total accruals to cash adjustments | -14,951 | -14,745 | -16,182 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 117,562 | 132,129 | 115,058 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|----------------------|---------------------|----------------------|---------------------|--------------------|-----------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | - | - |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | 5,500 | <i>5,500</i> | 5,500 | <i>5,500</i> | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | 5,500 | <i>5,500</i> | 5,500 | <i>5,500</i> | - | - |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 2,493 | -689 | -4,742 |
| Total Net Administration costs | 2,493 | -689 | -4,742 |
| Net Programme Costs | | | |
| RfR 1 | 123,020 | 141,573 | 133,688 |
| Non-voted | 5,166 | 5,166 | 7,181 |
| Total Net Programme costs | 128,186 | 146,739 | 140,869 |
| Total Net Operating Cost | 130,679 | 146,050 | 136,127 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 125,513 | 140,884 | 128,946 |
| Non-voted expenditure | 5,166 | 5,166 | 7,181 |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 133,467 | 149,180 | 148,582 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 125,513 | 140,884 | 128,946 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | 5,166 | 5,166 | 7,181 |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 130,679 | 146,050 | 136,127 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | 2,788 | 3,130 | 12,455 |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 133,467 | 149,180 | 148,582 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 133,467 | 149,180 | 148,582 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 7,000 | 5,990 | 2,294 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 7,000 | 5,990 | 2,294 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 7,000 | 5,990 | 2,294 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: David A Lavery, Director of the NICS

David A Lavery as the Accounting Officer of the Northern Ireland Court Service has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Northern Ireland Court Service.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland | | | |
| Administration | 21,000 | 21,000 | 17,727 |
| <i>of which:</i> | | | |
| Sale of goods and services | 21,000 | 21,000 | 17,727 |
| Total RfR 1 | 21,000† | 21,000 | 17,727 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: court fees paid by litigants in civil proceedings, fine monies arising from the payment of certain conditional offer fixed penalty notices to cover project costs incurred by the Northern Ireland Court Service and Northern Ireland Office, administration fees paid in respect of funds in court, monies recovered in respect of third party claims, recoveries from the National Insurance Fund for the costs of the Office of the Social Security and Child Support Commissioners and other fees and receipts received.</i> | | | |
| Total Operating A in A | 21,000 | 21,000 | 17,727 |

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|-----------------|----------------------|--------------|----------------------|--------------|--------------------|----------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Fines ● | 5,150 | 5,150 | 5,150 | 5,150 | - | - |
| Miscellaneous ● | 100 | 100 | 100 | 100 | - | - |
| Excess AinA ● | 250 | 250 | 250 | 250 | - | - |
| Total | 5,500 | 5,500 | 5,500 | 5,500 | - | - |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|--------|-----------|---------|
| | Voted | Non-voted | Total |
| Resource DEL | 58,973 | 74,494 | 133,467 |
| <i>of which: †</i> | | | |
| Administration budget | 2,493 | - | 2,493 |
| Near-cash in RDEL | 44,022 | 71,706 | 115,728 |
| Capital DEL †† | 7,000 | - | 7,000 |
| Less Depreciation ††† | -8,658 | -441 | -9,099 |
| Total DEL | 57,315 | 74,053 | 131,368 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £125,513,000 is 10.9 per cent lower than the final net provision for 2007-08 of £140,884,000 and 6.2 per cent lower than the forecast outturn for 2007-08 of £133,828,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 21,000 | 21,000 | 17,727 |

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|---|-------|
| RfR 1 B | Northern Ireland Legal Services Commission ♥ | 3,900 |
| RfR 1 C | Northern Ireland Judicial Appointments Commission ♥ | 1,540 |

The National Archives

Introduction

1. This Estimate covers the administration of the public records system of the United Kingdom under the Public Records Acts of 1958 and 1967 and the promotion of the highest standards of care and public access for the archives of historical value outside the public records.
2. The Estimate also provides for the administrative costs of leading on UK information Management and re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government.
3. Details of the expenditure contained in this Estimate will be reported in the National Archives Annual Report 2008, to be published in July 2008.
4. Symbols are explained in the Introduction to this booklet.

The National Archives

Part I

£

| | |
|---|-------------------|
| Request for Resources 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government | 46,600,000 |
| Total net resource requirement | 46,600,000 |
| Net cash requirement | 39,949,000 |

Amounts required in the year ending 31 March 2009 for expenditure by The National Archives on:

RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government

Payments for expenditure on administration and operational associated non-cash costs.

The National Archives will account for this Estimate.

£

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-------------------|------------------------------------|------------------------|
| RfR 1 | 46,600,000 | 20,222,000 | 26,378,000 |
| Total net resource requirement | 46,600,000 | 20,222,000 | 26,378,000 |
| Net cash requirement | 39,949,000 | 17,453,000 | 22,496,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|-------------------------------------|--------|-------------|--------|-----------|----------------------|--------------------|------------------------|------------------------|
| Resources | | | | | | Capital | Non- operating | Net Total Resources | Net Total Resources |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government | | | | | | | | | |
| - | 51,390 | - | 51,390 | 4,790 | 46,600 | 2,500 | - | 44,940 | 38,241 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Public Record Office | | | | | | | | |
| - | 47,138 | - | 47,138 | 4,094 | 43,044 | 2,500 | - | 41,253 | 35,239 |
| B | Historical Manuscripts Commission | | | | | | | | |
| - | 1,119 | - | 1,119 | 2 | 1,117 | - | - | 1,142 | 998 |
| C | Office of Public Sector Information | | | | | | | | |
| - | 3,133 | - | 3,133 | 694 | 2,439 | - | - | 2,545 | 2,004 |
| Total for Estimate: | | | | | | | | | |
| - | 51,390 | - | 51,390 | 4,790 | 46,600 | 2,500 | - | 44,940 | 38,241 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 46,600 | 44,940 | 38,241 |
| Voted capital items | | | |
| Capital | 2,500 | 7,600 | 2,747 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 2,500 | 7,600 | 2,747 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -4,011 | -3,713 | -3,260 |
| Depreciation | -5,680 | -5,000 | -4,855 |
| New provisions and adjustments to previous provisions | -1,000 | - | -374 |
| Profit/loss on sale of assets | - | - | -21 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -60 | -60 | -65 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | 1,600 | -2,700 | - |
| Use of provisions | - | 130 | - |
| Total accruals to cash adjustments | -9,151 | -11,343 | -8,575 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 39,949 | 41,197 | 32,413 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

| | £'000 | | |
|----------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Programme Costs | | | |
| RfR 1 | 46,600 | 44,940 | 38,241 |
| Total Net Programme costs | 46,600 | 44,940 | 38,241 |
| Total Net Operating Cost | 46,600 | 44,940 | 38,241 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 46,600 | 44,940 | 38,241 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 46,600 | 44,940 | 38,220 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|--|----------------------|----------------------|--------------------|
| Net Resource Requirement (Estimates) | 46,600 | 44,940 | 38,241 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 46,600 | 44,940 | 38,241 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -21 |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 46,600 | 44,940 | 38,220 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 46,600 | 44,940 | 38,220 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|--|----------------------|----------------------|--------------------|
| Net Voted Capital (Estimates) | 2,500 | 7,600 | 2,747 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 2,500 | 7,600 | 2,747 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 2,500 | 7,600 | 2,747 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Natalie Ceeney, Permanent Head of the Public Record Office and the sole Historical Manuscripts Commissioner

Natalie Ceeney as the Accounting Officer of The National Archives has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of The National Archives.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government | | | |
| Programme | 4,790 | 7,445 | 5,092 |
| <i>of which:</i> | | | |
| Sale of goods and services | 4,790 | 7,445 | 4,679 |
| Lottery grant income | - | - | 413 |
| Total RfR 1 | 4,790† | 7,445 | 5,092 |
| <p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges for the sale of copies of documents; sale of publications and other items and services; professional fees; fees receivable from service providers; sale of fixed assets; grants received to carry out specific projects; reproduction fees and royalties for the publication of images; Crown copyright fees and royalties; fees for the management of third parties' copyright; fee for the management of the Office of the Queen's Printer for Scotland; income from contractual arrangements for official publishing and partnerships to make historical records electronically accessible; and sales and recovery of costs for goods/services provided to other government departments, public bodies and the general public.</p> | | | |
| Total Operating A in A | 4,790 | 7,445 | 5,092 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|--------|-----------|--------|
| | Voted | Non-voted | Total |
| Resource DEL | 46,600 | - | 46,600 |
| <i>of which: †</i> | | | |
| Administration budget | - | - | - |
| Near-cash in RDEL | 35,849 | - | 35,849 |
| Capital DEL †† | 2,500 | - | 2,500 |
| Less Depreciation ††† | -5,680 | - | -5,680 |
| Total DEL | 43,420 | - | 43,420 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £46,600,000 is 3.7 per cent higher than the final net provision for 2007-08 of £44,940,000 and 7.8 per cent higher than the forecast outturn for 2007-08 of £43,232,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 4,790 | 7,445 | 5,092 |

Crown Prosecution Service

Introduction

1. This Estimate covers the resources and cash requirement of the Crown Prosecution Service.
2. It covers the administrative, operational and capital costs incurred by the Crown Prosecution Service in England and Wales.
3. Further details are contained in the Law Officers' Departmental Report 2008.
4. Symbols are explained in the Introduction to this booklet.

Crown Prosecution Service

Part I

| | £ |
|---|--------------------|
| Request for Resources 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions | 629,798,000 |
| Total net resource requirement | 629,798,000 |
| Net cash requirement | 628,295,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Crown Prosecution Service on:

RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions

Administrative costs, including the hire of private agents; Crown Prosecution Services; the support of voluntary sector organisations working within the Criminal Justice System; in connection with the confiscation of the proceeds of crime; and associated non-cash items.

The **Crown Prosecution Service** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|--------------------|------------------------------------|------------------------|
| RfR 1 | 629,798,000 | 281,041,000 | 348,757,000 |
| Total net resource requirement | 629,798,000 | 281,041,000 | 348,757,000 |
| Net cash requirement | 628,295,000 | 281,282,000 | 347,013,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|---|--------|-------------|--------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions | | | | | | | | | |
| 57,727 | 629,308 | - | 687,035 | 57,237 | 629,798 | 5,300 | - | 648,432 | 616,929 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Administration costs on HQ and Central Services | | | | | | | | |
| 57,727 | - | - | 57,727 | 1,700 | 56,027 | - | - | 57,303 | 51,313 |
| B | Crown Prosecutions and Legal Services | | | | | | | | |
| - | 629,308 | - | 629,308 | 55,537 | 573,771 | 5,300 | - | 591,129 | 565,616 |
| Total for Estimate: | | | | | | | | | |
| 57,727 | 629,308 | - | 687,035 | 57,237 | 629,798 | 5,300 | - | 648,432 | 616,929 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 629,798 | 648,432 | 616,929 |
| Voted capital items | | | |
| Capital | 5,300 | 7,400 | 4,761 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 5,300 | 7,400 | 4,761 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -2,586 | -2,647 | -870 |
| Depreciation | -5,056 | -5,056 | -4,676 |
| New provisions and adjustments to previous provisions | -745 | -745 | -700 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | -89 | -89 | -87 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | 7,443 |
| Increase (-) / Decrease (+) in creditors | - | - | -2,975 |
| Use of provisions | 1,673 | 1,673 | 2,227 |
| Total accruals to cash adjustments | -6,803 | -6,864 | 362 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 628,295 | 648,968 | 622,052 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | 655 | 3,822 |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | - | - | 655 | 3,822 |

Forecast Operating Cost Statement

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|---------------------------------------|----------------------|----------------------|--------------------|
| Net Administration Costs | | | |
| RfR 1 | 56,027 | 57,303 | 51,313 |
| Non-voted | - | - | -3 |
| Total Net Administration costs | 56,027 | 57,303 | 51,310 |
| Net Programme Costs | | | |
| RfR 1 | 573,771 | 591,129 | 565,616 |
| Non-voted | - | - | -652 |
| Total Net Programme costs | 573,771 | 591,129 | 564,964 |
| Total Net Operating Cost | 629,798 | 648,432 | 616,274 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 629,798 | 648,432 | 616,929 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | -655 |
| Resource Budget | 636,081 | 656,432 | 616,274 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 629,798 | 648,432 | 616,929 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | -655 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 629,798 | 648,432 | 616,274 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | 6,283 | 8,000 | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 636,081 | 656,432 | 616,274 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 636,081 | 656,432 | 616,274 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 5,300 | 7,400 | 4,761 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 5,300 | 7,400 | 4,761 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 5,300 | 7,400 | 4,761 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Ken MacDonald QC, Permanent Head of Department

Ken MacDonald QC as the Principal Accounting Officer of the Crown Prosecution Service has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of the Crown Prosecution Service.

With the agreement of the HM Treasury, the Permanent Head of Department appoints the Chief Executive as Additional Accounting Officer, Peter Lewis, Chief Executive, holds the appointment of Additional Accounting Officer for the Request for Resources within this Estimate.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

In accordance with Managing Public Money requirements the relationship between the Principal Accounting Officer and the Additional Accounting Officer(s) and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions | | | |
| Administration | 1,700 | 1,700 | 307 |
| <i>of which:</i> | | | |
| Sale of goods and services | 1,700 | 1,700 | 307 |
| Programme | 55,537 | 57,027 | 44,365 |
| <i>of which:</i> | | | |
| Sale of goods and services | 55,537 | 57,027 | 44,365 |
| Total RfR 1 | 57,237† | 58,727 | 44,672 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of costs from private tenants in jointly occupied buildings; recoveries in respect of the Recovered Assets Incentivisation Fund; costs awarded to CPS in court; income from Local Criminal Justice Boards; refund of costs for seconded staff; funding from the Access to Work Scheme and the New Deal programmes; receipts for Prosecution College Licences; and recoveries of costs from other government departments for joint working arrangements.</i> | | | |
| Total Operating A in A | 57,237 | 58,727 | 44,672 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|----------------------|----------|----------------------|----------|--------------------|--------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Miscellaneous income and receipts Φ | - | - | - | - | 655 | 3,822 |
| Total | - | - | - | - | 655 | 3,822 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|---------|-----------|---------|
| | Voted | Non-voted | Total |
| Resource DEL | 629,798 | 6,283 | 636,081 |
| <i>of which: †</i> | | | |
| Administration budget | 56,027 | - | 56,027 |
| Near-cash in RDEL | 621,322 | 7,956 | 629,278 |
| Capital DEL †† | 5,300 | - | 5,300 |
| Less Depreciation ††† | -5,056 | - | -5,056 |
| Total DEL | 630,042 | 6,283 | 636,325 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £629,798,000 is 2.9 per cent lower than the final net provision for 2007-08 of £648,432,000 and 1.2 per cent lower than the forecast outturn for 2007-08 of £637,302,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 56,988 | 58,377 | 50,220 |

Serious Fraud Office

Introduction

1. This Estimate covers the administration costs, capital costs and operational costs incurred by the Serious Fraud Office (SFO). Included are the costs of the SFO staff, fees to Counsel and outside accountants, witness expenses, use of information technology to improve presentation of evidence, other investigation and prosecution costs and defendant's costs ordered by the courts to be paid by the SFO.
2. Further details of the expenditure of the SFO can be found in Part 3 of the Law Officers' Departments' Departmental Report 2008 .
3. Symbols are explained in the introduction to this booklet.

Serious Fraud Office

Part I

| | £ |
|---|-------------------|
| Request for Resources 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law | 39,049,000 |
| Total net resource requirement | 39,049,000 |
| Net cash requirement | 40,890,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Serious Fraud Office on:

RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law

Administration, investigation, prosecution and associated non-cash items.

The **Serious Fraud Office** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-------------------|------------------------------------|------------------------|
| RfR 1 | 39,049,000 | 16,096,000 | 22,953,000 |
| Total net resource requirement | 39,049,000 | 16,096,000 | 22,953,000 |
| Net cash requirement | 40,890,000 | 17,741,000 | 23,149,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|------------------------------------|--------|-------------|--------|-----------|----------------------|-----------------------------|------------------------|------------------------|
| Resources | | | | | | Capital | | Net Total Resources | Net Total Resources |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non- operating A in A | 9 | 10 |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | |
| RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law | | | | | | | | | |
| - | 39,099 | - | 39,099 | 50 | 39,049 | 3,530 | - | 51,114 | 40,678 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Investigations and prosecutions | | | | | | | | |
| - | 35,499 | - | 35,499 | 50 | 35,449 | 3,500 | - | 51,114 | 40,678 |
| B | National Fraud Strategic Authority | | | | | | | | |
| - | 3,600 | - | 3,600 | - | 3,600 | 30 | - | - | - |
| Total for Estimate: | | | | | | | | | |
| - | 39,099 | - | 39,099 | 50 | 39,049 | 3,530 | - | 51,114 | 40,678 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 39,049 | 51,114 | 40,678 |
| Voted capital items | | | |
| Capital | 3,530 | 5,800 | 3,466 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 3,530 | 5,800 | 3,466 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -79 | -79 | -30 |
| Depreciation | -1,545 | -1,800 | -1,741 |
| New provisions and adjustments to previous provisions | - | - | - |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | -65 | -65 | -57 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | 930 | - |
| Increase (-) / Decrease (+) in creditors | - | 930 | - |
| Use of provisions | - | 40 | - |
| Total accruals to cash adjustments | -1,689 | -44 | -1,828 |
| Excess cash to be CFERd | - | - | -621 |
| Net Cash Requirement | 40,890 | 56,870 | 41,695 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|----------------------------------|----------------------|----------------------|--------------------|
| Net Programme Costs | | | |
| RfR 1 | 39,049 | 51,114 | 40,678 |
| Total Net Programme costs | 39,049 | 51,114 | 40,678 |
| Total Net Operating Cost | 39,049 | 51,114 | 40,678 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 39,049 | 51,114 | 40,678 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 39,049 | 51,114 | 40,678 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 39,049 | 51,114 | 40,678 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 39,049 | 51,114 | 40,678 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 39,049 | 51,114 | 40,678 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 39,049 | 51,114 | 40,678 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 3,530 | 5,800 | 3,466 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 3,530 | 5,800 | 3,466 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 3,530 | 5,800 | 3,466 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Richard Alderman, Director of the Serious Fraud Office

Richard Alderman as the Accounting Officer of the Serious Fraud Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Serious Fraud Office.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law | | | |
| Programme | 50 | 350 | 384 |
| <i>of which:</i> | | | |
| Sale of goods and services | 50 | - | 257 |
| Regulatory licences, fines, penalties and taxes | - | 350 | 127 |
| Total RfR 1 | 50† | 350 | 384 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income arising from costs awarded to the SFO in court.</i> | | | |
| Total Operating A in A | 50 | 350 | 384 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|--------|-----------|--------|
| | Voted | Non-voted | Total |
| Resource DEL | 39,049 | - | 39,049 |
| <i>of which: †</i> | | | |
| Administration budget | - | - | - |
| Near-cash in RDEL | 37,360 | - | 37,360 |
| Capital DEL †† | 3,530 | - | 3,530 |
| Less Depreciation ††† | -1,545 | - | -1,545 |
| Total DEL | 41,034 | - | 41,034 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £39,049,000 is 23.6 per cent lower than the final net provision for 2007-08 of £51,114,000 and the forecast outturn for 2007-08 of £51,114,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 50 | 350 | 384 |

HM Procurator General and Treasury Solicitor

Introduction

1. This Estimate provides for the administrative costs of the Treasury Solicitor's Department agency within DEL (section A), which includes capital DEL expenditure. This section also covers disbursement costs of the Treasury Solicitor's Department Agency (previously in a separate section). Disbursement costs arise on the provision of legal services to government departments. Except for those associated with centrally funded services, these costs are fully recovered from client departments as disbursements on legal cases. The principal areas of this expenditure are adverse costs, counsel fees, expert witnesses and solicitors agents. Section B covers the administration costs of the Attorney General's Office including the salaries of two Ministers of the Crown. Section C covers the costs of HM Crown Prosecution Service Inspectorate. Further details of the Department's administration costs are provided in Chapter 4 of the 2008 Departmental Report of the Law Officers' Departments.

2. The Treasury Solicitor's Department, which became an Agency on 1 April 1996, has operated a system of full repayment of the majority of its legal services since 1990-91. The greater part of its administrative costs are now met by receipts. Since 1999-2000, the Treasury Solicitor's Department Agency has operated under a net operating cost control, allowing it the flexibility to respond to an increasing demand for its services. A small section of the Agency's work, which is directly related to European matters or considered to be in the public interest, remains centrally funded.

3. Symbols are explained in the Introduction to this booklet.

HM Procurator General and Treasury Solicitor

Part I

| | £ |
|---|-------------------|
| Request for Resources 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies | 13,972,000 |
| Total net resource requirement | 13,972,000 |
| Net cash requirement | 15,631,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the HM Procurator General and Treasury Solicitor on:

RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies

Expenditure by the HM Procurator General and Treasury Solicitor's Department comprising the Treasury Solicitor's Department Agency, the Attorney General's Office and HM Crown Prosecution Service Inspectorate on administration, costs and fees for legal and related services, residual matters following the closure of the Government Property Lawyers Agency and associated non-cash items.

The **HM Procurator General and Treasury Solicitor** will account for this Estimate.

| | £ | | |
|---------------------------------------|-------------------|------------------------------------|------------------------|
| | Net total | Allocated in Vote on Account | Balance to complete |
| RfR 1 | 13,972,000 | 6,444,000 | 7,528,000 |
| Total net resource requirement | 13,972,000 | 6,444,000 | 7,528,000 |
| Net cash requirement | 15,631,000 | 7,456,000 | 8,175,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
|---|---------------------|--------|-------------|--------|-----------|------------------------------|--------|------------------------|------------------------|
| Resources | | | | | | Capital Non- operating | | Net Total Resources | Net Total Resources |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies | | | | | | | | | |
| 106,602 | - | - | 106,602 | 92,630 | 13,972 | 4,000 | - | 16,416 | 9,439 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | TSD Administration | | | | | | | | |
| 97,963 | - | - | 97,963 | 92,630 | 5,333 | 3,900 | - | 5,524 | 1,064 |
| B | AGO Administration | | | | | | | | |
| 4,765 | - | - | 4,765 | - | 4,765 | 100 | - | 6,921 | 4,773 |
| C | CPSI Administration | | | | | | | | |
| 3,874 | - | - | 3,874 | - | 3,874 | - | - | 3,971 | 3,602 |
| Total for Estimate: | | | | | | | | | |
| 106,602 | - | - | 106,602 | 92,630 | 13,972 | 4,000 | - | 16,416 | 9,439 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 13,972 | 16,416 | 9,439 |
| Voted capital items | | | |
| Capital | 4,000 | 4,000 | 2,362 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 4,000 | 4,000 | 2,362 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -353 | -383 | -477 |
| Depreciation | -1,988 | -2,529 | -1,835 |
| New provisions and adjustments to previous provisions | - | - | 294 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | -87 |
| Increase (+) / Decrease (-) in stock | - | 300 | 3,116 |
| Increase (+) / Decrease (-) in debtors | - | 100 | -524 |
| Increase (-) / Decrease (+) in creditors | - | 250 | 127 |
| Use of provisions | - | - | 423 |
| Total accruals to cash adjustments | -2,341 | -2,262 | 1,037 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 15,631 | 18,154 | 12,838 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|----------------------|-----------------|----------------------|-----------------|--------------------|-------------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | 170 | <i>170</i> |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | - | - | 170 | <i>170</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 13,972 | 16,416 | 9,439 |
| Non-voted | - | - | -170 |
| Total Net Administration costs | 13,972 | 16,416 | 9,269 |
| Total Net Operating Cost | 13,972 | 16,416 | 9,269 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 13,972 | 16,416 | 9,439 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | -170 |
| Resource Budget | 13,972 | 17,616 | 8,846 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 13,972 | 16,416 | 9,439 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | -170 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 13,972 | 16,416 | 9,269 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | 1,200 | - |
| Other adjustments | - | - | -423 |
| Resource Budget (Budget) | 13,972 | 17,616 | 8,846 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 13,972 | 17,616 | 8,846 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 4,000 | 4,000 | 2,362 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 4,000 | 4,000 | 2,362 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 4,000 | 4,000 | 2,362 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Paul Jenkins

Paul Jenkins as the Accounting Officer of the HM Procurator General and Treasury Solicitor has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the HM Procurator General and Treasury Solicitor.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies | | | |
| Administration | 92,630 | 95,630 | 79,561 |
| <i>of which:</i> | | | |
| Sale of goods and services | 92,630 | 95,630 | 79,561 |
| Total RfR 1 | 92,630† | 95,630 | 79,561 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: recovery of costs from other government departments including costs recovered through legal and administrative services provided, charges for Bona Vacantia work, recovery of costs for tenants in jointly occupied buildings, utilisation of provisions, income in relation to GLS operations, subscription charges, photocopying charges and European fast streamers.</i> | | | |
| Total Operating A in A | 92,630 | 95,630 | 79,561 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|---|-----------|-----------------|-----------|-----------------|------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Other operating income and receipts not classified as A in A● | - | - | - | - | 170 | 170 |
| Total | - | - | - | - | 170 | 170 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|--------|-----------|--------|
| | Voted | Non-voted | Total |
| Resource DEL | 13,972 | - | 13,972 |
| <i>of which: †</i> | | | |
| Administration budget | 13,972 | - | 13,972 |
| Near-cash in RDEL | 11,631 | - | 11,631 |
| Capital DEL †† | 4,000 | - | 4,000 |
| Less Depreciation ††† | -1,988 | - | -1,988 |
| Total DEL | 15,984 | - | 15,984 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £13,972,000 is 14.9 per cent lower than the final net provision for 2007-08 of £16,416,000 and the forecast outturn for 2007-08 of £16,416,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 92,630 | 95,630 | 79,561 |

Revenue and Customs Prosecutions Office

Introduction

1. This Estimate covers the resource and cash requirement of the Revenue and Customs Prosecutions Office (RCPO). The RCPO was created in April 2005 under the Commissioners for Revenue and Customs Act 2005.
2. It covers the administrative costs and operational costs incurred by the Revenue and Customs Prosecutions Office in England and Wales.
3. Further details are contained in the Law Officers' Departmental Report 2008.
4. Symbols are explained in the Introduction to this booklet.

Revenue and Customs Prosecutions Office

Part I

| | £ |
|--|-------------------|
| Request for Resources 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors | 36,397,000 |
| Total net resource requirement | 36,397,000 |
| Net cash requirement | 36,397,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Revenue and Customs Prosecutions Office on:

RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors

Administration and legal costs of prosecuting cases by the Revenue and Customs Prosecutions Office and associated non-cash items.

The **Revenue and Customs Prosecutions Office** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-------------------|---|--------------------------------|
| RfR 1 | 36,397,000 | 16,526,000 | 19,871,000 |
| Total net resource requirement | 36,397,000 | 16,526,000 | 19,871,000 |
| Net cash requirement | 36,397,000 | 16,526,000 | 19,871,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | | 2007-08 Provision | 2006-07 Outturn | |
|--|------------------|--------|-------------|--------|-----------|---------|----------------------|--------------------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors | | | | | | | | | |
| - | 38,447 | 1,950 | 40,397 | 4,000 | 36,397 | - | - | 38,909 | 32,398 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Administration | | | | | | | | |
| - | 38,447 | 1,950 | 40,397 | 4,000 | 36,397 | - | - | 38,909 | 32,398 |
| Total for Estimate: | | | | | | | | | |
| - | 38,447 | 1,950 | 40,397 | 4,000 | 36,397 | - | - | 38,909 | 32,398 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 36,397 | 38,909 | 32,398 |
| Voted capital items | | | |
| Capital | - | 1,800 | - |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | - | 1,800 | - |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | - | - | 226 |
| Depreciation | - | -600 | - |
| New provisions and adjustments to previous provisions | - | - | - |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | -72 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | - | 9,423 |
| Use of provisions | - | - | - |
| Total accruals to cash adjustments | - | -600 | 9,577 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 36,397 | 40,109 | 41,975 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

| | £'000 | | |
|----------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Programme Costs | | | |
| RfR 1 | 36,397 | 38,909 | 32,398 |
| Total Net Programme costs | 36,397 | 38,909 | 32,398 |
| Total Net Operating Cost | 36,397 | 38,909 | 32,398 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 36,397 | 38,909 | 32,398 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 36,397 | 38,909 | 32,398 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 36,397 | 38,909 | 32,398 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 36,397 | 38,909 | 32,398 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 36,397 | 38,909 | 32,398 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 36,397 | 38,909 | 32,398 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | - | 1,800 | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | - | 1,800 | - |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | 1,800 | - |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: David Green, QC

David Green, QC as the Accounting Officer of the Revenue and Customs Prosecutions Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Revenue and Customs Prosecutions Office.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors | | | |
| Programme | 4,000 | 3,550 | 4,312 |
| <i>of which:</i> | | | |
| Sale of goods and services | 4,000 | 3,550 | 4,312 |
| Total RfR 1 | 4,000† | 3,550 | 4,312 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of court costs; the provision of additional defence papers; the administration of counsel fees to third parties; the provision of legal training; and the recovery of assets under provisions of the Incentivisation Scheme.</i> | | | |
| Total Operating A in A | 4,000 | 3,550 | 4,312 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|--------|-----------|--------|
| | Voted | Non-voted | Total |
| Resource DEL | 36,397 | - | 36,397 |
| <i>of which: †</i> | | | |
| Administration budget | - | - | - |
| Near-cash in RDEL | 36,397 | - | 36,397 |
| Capital DEL †† | - | - | - |
| Less Depreciation ††† | - | - | - |
| Total DEL | 36,397 | - | 36,397 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £36,397,000 is 6.5 per cent lower than the final net provision for 2007-08 of £38,909,000 and 5.9 per cent higher than the forecast outturn for 2007-08 of £34,381,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 4,000 | 3,550 | 4,312 |

Ministry of Defence

Introduction

Request for Resources 1: Provision of Defence Capability

1. RfR1 provides for expenditure primarily to meet the costs of the Department's operational, support and logistics services, and providing the equipment capability required by Defence policy. It reflects the way in which the Department manages its expenditure. Each of the nine Top Level Budget (TLB) Holders included in this RfR has been allocated an individual RfR section within Departmental Expenditure Limit (DEL), Annually Managed Expenditure (AME) and Non-Budget consistent with expenditure and income for which the TLB holder is responsible and accountable within the Department. Information on the responsibilities of each TLB holder and the type of expenditure that they incur is contained in the Ministry of Defence Annual Report and Accounts.
2. With effect from 1 April 2008, Commander-in-Chief Strike Command and Personnel and Training Command TLBs were incorporated into Commander-in-Chief Air Command TLB; and Adjutant General and Commander-in-Chief Land Command TLBs were incorporated into Land Command TLB.
3. With effect from 1 April 2008 the Administration Costs regime applies to the Ministry of Defence, and a separate sub-head has been set up to recognise this.
4. Sections A to L include £33,477.717 million in respect of net DEL, broken down as £34,720.501 million for gross DEL and £1,242.784 million for Appropriations in Aid. The sections also show £7,870.045 million in respect of net Capital broken down as £8,085.160 million DEL and £215.115 million in respect of Non Operating Appropriations in Aid. Additionally Sections H to J include £14.726 million in respect of capital loan repayments from the Department's Trading Funds. This is included in Non-Operating Appropriations in Aid, giving a net capital position of £7,872.064 million.
5. Sections M to N include a negative £84.774 million for gross AME.
6. Sections O to U include Non-Budget expenditure of £0.750 million in respect of the VAT paid by the Commonwealth War Graves Commission for UK expenditure, £3.026 million in respect of payments and interest charges for the National Loans Fund, £2.019 million as capital repayments to the National Loans Fund, £9.487 million for the Grant in Aid to Royal Hospital Chelsea, £2.253 million for Grant in Aid for the naval museums, £5.591 million for the Royal Army Museum and £7.189 million for the Royal Air Force Museum and £0.004 million in respect of receipts from the European Union. £0.060 million is for the Royal Irish Benevolent Fund.
7. A Machinery of Government change to transfer responsibility for the Defence Export Services Organisation (DESO) to the Department For Business Enterprise and Regulatory Reform (DBERR) £15.229 million, the Foreign and Commonwealth Office (FCO) £2.153 million and United Kingdom Trade and Industry (UKTI) £2.198 million.

8. Included within this Estimate are net transfers in from other Government Departments amounting to £39.673 million. Transfers out are £2.000 million to the Cabinet Office for the expansion and capability of the Security Services, £0.950 million to the Department For Business Enterprise and Regulatory Reform (DBERR) for the MoD's contribution to DBERR's annual running costs relating to the transfer of nuclear liabilities, £0.152 million to the Department for Culture Media and Sport (DCMS) for the Pattern Room at the Leeds Armoury. Transfers in total £0.275 million for the reversal of a transfer to the Department for Communities and Local Government for the Pan Government agreement, and a transfer from the Security and Intelligence Agencies in respect of funding support services of £42.500 million.

9. Some advances made periodically for the UK share of costs for collaborative projects will be charged to the RfR at the time of issue and the MoD will be provided with periodic statements of actual expenditure incurred.

Request for Resources 2: Operations and Peace-Keeping

10. RfR2 provides for the consumption of such resources in support of activity in the following regions:

- (a) Expenditure in support of government endorsed programmed peace-keeping activity. (Formerly contained in two separate pools (Sub-Saharan Africa and Rest of the World);
- (b) Expenditure for the newly created Stabilisation Aid Fund (SAF).

11. Sections A to B include £89.566 million in respect of Resource DEL. There is currently no Capital DEL or Appropriations in Aid for this RfR. Included in this are: a transfer out of £28.000 million to the Foreign and Commonwealth Office for the Stabilisation Aid Fund; a transfer in of £16.875 million for the Balkans Operations from the Foreign and Commonwealth Office; and £27.691million from the Department for International Development for programmed Peace-Keeping expenditure.

12. Further requests for resources to fund operations in Iraq, Afghanistan and the Balkans will be made at Supplementary Estimates.

Request for Resources 3: War Pensions and Allowances, etc

13. RfR3 provides for the payment of war disablement and war widows' pensions in accordance with relevant legislation.

14. Sections A to B include £1,015.090 million in respect of AME for RfR3. There is no DEL for this RfR as the costs of administering War Pensions are borne on Provision of Defence Capability, RfR1.

15. Supporting information relating to expenditure contained in this Estimate are based upon the outcome of the Government's 2007 Pre-Budget Report and Comprehensive Spending Review 2007 (Cm 7227).

16. The Ministry of Defence is responsible for administering the funding for this Estimate.

17. Symbols are explained in the Introduction to this booklet.

Ministry of Defence

Part I

| | £ |
|--|-----------------------|
| Request for Resources 1: Provision of defence capability | 33,421,295,000 |
| Request for Resources 2: Operations and Peace-Keeping † | 89,566,000 |
| Request for Resources 3: War Pensions and Allowances, etc | 1,015,090,000 |
| Total net resource requirement | 34,525,951,000 |
| Net cash requirement | 32,536,048,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Ministry of Defence on:

RfR 1: Provision of defence capability

Personnel costs of the Armed Forces and their reserves and cadet forces and personnel costs of Defence Ministers and of civilian staff employed by the Ministry of Defence; movements; charter of ships; logistic services for the Armed Forces; repair, maintenance, stores and supply services; associated capital facilities and works; contractors' redundancy cost; plant and machinery; nuclear warhead and fissile material programme; procurement, including development and production of equipment and weapon systems for the Armed Forces; purchases for sale abroad; research etc by contract; sundry procurement services including those on repayment terms;

land and buildings works services; contingent liabilities; services provided by other Government departments; sundry services, subscriptions, grants and other payments including those abroad such as assistance to Foreign and Commonwealth Governments for defence related purposes and UK youth community projects; set-up costs and loans to, and income from, Trading Funds; and other associated non-cash items.

RfR 2: Operations and Peace-Keeping

Conflict prevention, early warning, crisis management, conflict resolution/peacemaking, peacekeeping and peacebuilding activity and on associated strengthening of international and regional systems and capacity; and other associated non-cash items

RfR 3: War Pensions and Allowances, etc

Pensions and other payments/allowances for disablement or death arising out of war or service in the Armed Forces after 2 September 1939, awards to surviving members of British groups held prisoner by the Japanese during the Second World War (Far Eastern Prisoners of War) or their surviving spouse and pensions and other payments in respect of service in the Armed Forces at other times; and other associated non-cash items.

The **Ministry of Defence** will account for this Estimate.

† In Vote on Account 2008-09 RfR2 was entitled "Conflict Prevention and Net Additional Cost of Military Operations".

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-----------------------|------------------------------------|------------------------|
| RfR 1 | 33,421,295,000 | 14,673,688,000 | 18,747,607,000 |
| RfR 2 | 89,566,000 | 19,936,000 | 69,630,000 |
| RfR 3 | 1,015,090,000 | 462,153,000 | 552,937,000 |
| Total net resource requirement | 34,525,951,000 | 15,155,777,000 | 19,370,174,000 |
| Net cash requirement | 32,536,048,000 | 14,254,788,000 | 18,281,260,000 |

Part II: Subhead detail

£'000

| | | | | | | | | | | 2007-08 | 2006-07 |
|--|---|-----------|-------------|-----------|------------|-----------|---------------|------------|------------|------------|------------|
| | | | | | | | | | | Provision | Outturn |
| 2008-09 | | | | | | | | | | | |
| Provision | | | | | | | | | | | |
| Resources | | | | | | Capital | | | | | |
| Admin | Other | Grants | Gross Total | A in A | Net Total | Capital | Non-operating | Net Total | Net Total | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | A in A | Resources | Resources | 10 | |
| RfR 1: Provision of defence capability | | | | | | | | | | | |
| 2,294,141 | 32,097,576 | 272,366 | 34,664,083 | 1,242,788 | 33,421,295 | 8,087,179 | 215,115 | 33,901,860 | 31,386,645 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Fleet | - | 2,201,893 | 10,462 | 2,212,355 | 41,157 | 2,171,198 | 25,033 | - | 1,846,857 | 1,771,675 |
| B | Commander-in-Chief Land Command | - | 6,511,259 | 59,658 | 6,570,917 | 107,762 | 6,463,155 | 260,985 | - | 4,770,935 | 3,535,208 |
| C | Chief of Joint Operations | - | 462,883 | - | 462,883 | 25,489 | 437,394 | 68,258 | - | 318,878 | 332,162 |
| D | Central | - | 1,933,392 | 168,562 | 2,101,954 | 335,848 | 1,766,106 | 60,247 | - | 2,273,236 | 2,149,765 |
| E | Defence Estates | - | 2,696,306 | - | 2,696,306 | 371,944 | 2,324,362 | 221,366 | 203,000 | 2,566,405 | 2,598,827 |
| F | Defence Equipment and Support | - | 14,857,332 | 1,051 | 14,858,383 | 192,471 | 14,665,912 | 7,310,755 | - | 17,045,064 | - |
| G | Science Innovation Technology | - | 617,223 | 4,204 | 621,427 | - | 621,427 | - | - | 544,309 | 524,147 |
| H | Loans and Grants to and Repayments from the Hydrographic Office | - | - | - | - | - | - | 9,504 | 9,961 | - | - |
| I | Loans and Grants to and Repayments from ABRO | - | - | - | - | - | - | - | 2,154 | - | - |
| J | Loans and Grants to and Repayments from Met Office | - | - | - | - | - | - | 17,337 | - | - | - |
| K | Commander-in-Chief Air Command | - | 2,899,036 | 3,099 | 2,902,135 | 168,113 | 2,734,022 | 111,675 | - | 2,248,921 | - |
| L | Ministry of Defence Administration Costs | 2,294,141 | - | - | 2,294,141 | - | 2,294,141 | - | - | 2,050,455 | 2,028,270 |
| | <i>General Officer Commanding (Northern Ireland)</i> | - | - | - | - | - | - | - | - | - | 298,682 |
| | <i>Commander-in-Chief Strike Command</i> | - | - | - | - | - | - | - | - | - | 1,633,171 |
| | <i>Defence Logistics Organisation</i> | - | - | - | - | - | - | - | - | - | 12,495,472 |

Part II: Subhead detail

£'000

| | | | | | | | | | | 2007-08 | 2006-07 |
|---|---------------------------------|--------|-------------|--------|-----------|---------|-----------|-----------|-----------|-----------|---------|
| | | | | | | | | | | Provision | Outturn |
| | | | | | | | | | | 2008-09 | |
| | | | | | | | | | | Provision | |
| Resources | | | | | | Capital | | | | | |
| Admin | Other | Grants | Gross Total | A in A | Net Total | Capital | Non- | Net Total | Net Total | | |
| 1 | Current | 3 | 4 | 5 | 6 | 7 | operating | Resources | Resources | 9 | 10 |
| | 2 | | | | | | A in A | | | | |
| <i>Adjutant General</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 791,405 | 1,575,924 | | |
| <i>Personnel and Training Command</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | 622,470 | | |
| <i>Defence Procurement Agency</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | 2,279,038 | | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| Central Government spending | | | | | | | | | | | |
| M | Central | | | | | | | | | | |
| - | -12 | - | -12 | - | -12 | - | - | 3,899 | 264 | | |
| N | Defence Equipment and Support | | | | | | | | | | |
| - | -84,762 | - | -84,762 | - | -84,762 | - | - | 83,696 | - | | |
| <i>Defence Logistics Organisation</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | 67,473 | | |
| <i>Chief of Joint Operations</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 3,599 | 9,200 | | |
| <i>Defence Procurement Agency</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | -532,482 | | |
| <i>Defence Estates AME</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | -659,000 | - | | |
| Non-Budget | | | | | | | | | | | |
| O | Commander in Chief Fleet | | | | | | | | | | |
| - | - | 2,253 | 2,253 | - | 2,253 | - | - | - | - | | |
| P | Central | | | | | | | | | | |
| - | - | 750 | 750 | - | 750 | - | - | 750 | -15,090 | | |
| Q | Commander-in-Chief Land Command | | | | | | | | | | |
| - | - | 15,138 | 15,138 | - | 15,138 | - | - | - | - | | |
| R | Defence Equipment and Support | | | | | | | | | | |
| - | - | - | - | 4 | -4 | - | - | -4 | - | | |
| S | Defence Estates | | | | | | | | | | |
| - | 3,026 | - | 3,026 | - | 3,026 | 2,019 | - | 3,141 | 3,237 | | |
| T | Commander-in-Chief Air Command | | | | | | | | | | |
| - | - | 7,189 | 7,189 | - | 7,189 | - | - | - | - | | |
| <i>Adjutant General</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 9,314 | 9,232 | | |

Part II: Subhead detail

£'000

| | | | | | | | | | | 2007-08 | 2006-07 |
|--|--|-----------|-------------|-----------|------------|-----------|---------|------------|------------|-----------|-----------|
| | | | | | | | | | | Provision | Outturn |
| 2008-09 | | | | | | | | | | | |
| Provision | | | | | | | | | | | |
| Resources | | | | | | Capital | | | | | |
| Admin | Other | Grants | Gross Total | A in A | Net Total | Capital | Non- | operating | A in A | Net Total | Net Total |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 9 | 10 |
| RfR 2: Operations and Peace-Keeping | | | | | | | | | | | |
| - | 89,566 | - | 89,566 | - | 89,566 | - | - | - | - | 2,381,803 | 1,448,420 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Programme Rest of the World | | | | | | | | | | |
| - | 44,566 | - | 44,566 | - | 44,566 | - | - | - | - | 75,303 | 41,731 |
| B | Stabilisation Aid Fund | | | | | | | | | | |
| - | 45,000 | - | 45,000 | - | 45,000 | - | - | - | - | - | - |
| <i>Peace Keeping Rest Of The World</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | - | 2,306,500 | 1,406,689 |
| RfR 3: War Pensions and Allowances, etc | | | | | | | | | | | |
| - | -512 | 1,015,602 | 1,015,090 | - | 1,015,090 | - | - | - | - | 1,030,007 | 1,038,073 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | War Pensions Benefits Programme costs | | | | | | | | | | |
| - | -512 | 1,015,102 | 1,014,590 | - | 1,014,590 | - | - | - | - | 1,029,507 | 1,036,803 |
| B | War Pensions Benefits Programme costs - Far Eastern Prisoners of War | | | | | | | | | | |
| - | - | 500 | 500 | - | 500 | - | - | - | - | 500 | 1,270 |
| Total for Estimate: | | | | | | | | | | | |
| 2,294,141 | 32,186,630 | 1,287,968 | 35,768,739 | 1,242,788 | 34,525,951 | 8,087,179 | 215,115 | 37,313,670 | 33,873,138 | | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 34,525,951 | 37,313,670 | 33,873,138 |
| Voted capital items | | | |
| Capital | 8,087,179 | 8,796,586 | 7,548,631 |
| Less Non-operating A-in-A | 215,115 | 1,381,000 | 479,908 |
| Total net voted capital | 7,872,064 | 7,415,586 | 7,068,723 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -3,239,081 | -3,512,186 | -3,241,899 |
| Depreciation | -7,412,994 | -8,271,357 | -6,608,925 |
| New provisions and adjustments to previous provisions | -205,592 | -559,370 | 140,314 |
| Profit/loss on sale of assets | - | 709,000 | 123,135 |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | -3,600 |
| Increase (+) / Decrease (-) in stock | 462,261 | -474,518 | -205,662 |
| Increase (+) / Decrease (-) in debtors | 347,563 | 474,947 | 316,264 |
| Increase (-) / Decrease (+) in creditors | -99,567 | 552,798 | -258,700 |
| Use of provisions | 285,443 | 499,144 | 413,347 |
| Total accruals to cash adjustments | -9,861,967 | -10,581,542 | -9,325,726 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 32,536,048 | 34,147,714 | 31,616,135 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|----------------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| | Provision | | Provision | | Outturn | |
| Operating income not classified as A in A | - | - | 55,000 | <i>55,000</i> | 56,326 | - |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | 55,000 | <i>55,000</i> | 56,326 | - |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 2,294,141 | 2,351,399 | 2,356,948 |
| RfR 2 | - | - | - |
| RfR 3 | - | - | - |
| Total Net Administration costs | 2,294,141 | 2,351,399 | 2,356,948 |
| Net Programme Costs | | | |
| RfR 1 | 31,127,154 | 31,550,461 | 29,029,697 |
| RfR 2 | 89,566 | 2,381,803 | 1,448,420 |
| RfR 3 | 1,015,090 | 1,030,007 | 1,038,073 |
| Non-voted | - | -55,000 | -56,326 |
| Total Net Programme costs | 32,231,810 | 34,907,271 | 31,459,864 |
| Total Net Operating Cost | 34,525,951 | 37,258,670 | 33,816,812 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 34,525,951 | 37,313,670 | 33,873,138 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | -55,000 | -56,326 |
| Resource Budget | 34,508,194 | 38,033,823 | 34,010,493 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 34,525,951 | 37,313,670 | 33,873,138 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | -55,000 | -56,326 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 34,525,951 | 37,258,670 | 33,816,812 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | 709,000 | 123,135 |
| Capital grants | - | - | -12,843 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | -3,772 | -3,947 | 12,603 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | 55,000 | 56,326 |
| Resource consumption of non departmental public bodies | -15,094 | 15,100 | 14,460 |
| Unallocated resource provision | - | - | - |
| Other adjustments | 1,109 | - | - |
| Resource Budget (Budget) | 34,508,194 | 38,033,823 | 34,010,493 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 33,623,321 | 36,921,356 | 33,490,872 |
| Annually Managed Expenditure (AME) | 884,873 | 1,112,467 | 519,621 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 7,872,064 | 7,415,586 | 7,068,723 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | 851 | 744 | 1,040 |
| Capital grants | - | - | 12,843 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | -2,019 | -5,020 | - |
| Capital Budget (Budget) | 7,870,896 | 7,411,310 | 7,082,606 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 7,870,896 | 8,120,310 | 7,069,763 |
| Annually Managed Expenditure (AME) | - | -709,000 | 12,843 |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

| | |
|---------------------------------|--|
| Request for Resources 1: | Sir Bill Jeffrey, Permanent Head of Department |
| Request for Resources 2: | Sir Bill Jeffrey, Permanent Head of Department |
| Request for Resources 3: | Sir Bill Jeffrey, Permanent Head of Department |

Sir Bill Jeffrey as the Accounting Officer of the Ministry of Defence has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Ministry of Defence.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Provision of defence capability | | | |
| Programme | 1,242,788 | 1,485,872 | 1,495,282 |
| <i>of which:</i> | | | |
| Sale of goods and services | 1,215,610 | 1,451,994 | 1,416,147 |
| EU Income | 4 | 4 | - |
| Interest and dividends | 27,174 | 33,874 | 79,135 |
| Total RfR 1 | 1,242,788† | 1,485,872 | 1,495,282 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income from fees and income from charges.</i> | | | |
| RfR 2: Operations and Peace-Keeping | | | |
| Programme | - | 23,834 | 15,557 |
| <i>of which:</i> | | | |
| Sale of goods and services | - | 23,834 | 15,557 |
| Total RfR 2 | - | 23,834 | 15,557 |
| Total Operating A in A | 1,242,788 | 1,509,706 | 1,510,839 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Provision of defence capability | | | |
| Programme | 215,115 | 1,381,000 | 479,908 |
| <i>of which:</i> | | | |
| Sale of assets | 203,000 | 1,330,071 | 471,428 |
| Loan, etc, repayments | 12,115 | 50,929 | 8,480 |
| Total RfR 1 | 215,115† | 1,381,000 | 479,908 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of fixed assets, including land and buildings and repayment of loans from the Trading Funds.</i> | | | |
| Total Non-Operating A in A | 215,115 | 1,381,000 | 479,908 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|---|----------------------|----------|----------------------|---------------|--------------------|----------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Receipts relating to accrual interest on advances held by Agency of a foreign government for contractual purposes and sales of various goods and services • | - | - | 55,000 | 55,000 | 56,326 | - |
| Total | - | - | 55,000 | 55,000 | 56,326 | - |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|------------|-----------|------------|
| | Voted | Non-voted | Total |
| Resource DEL | 33,567,283 | 56,038 | 33,623,321 |
| <i>of which:†</i> | | | |
| Administration budget | 2,294,141 | - | 2,294,141 |
| Near-cash in RDEL | 22,626,830 | 286,552 | 22,913,382 |
| Capital DEL†† | 7,870,045 | 851 | 7,870,896 |
| Less Depreciation††† | -7,408,960 | -9,486 | -7,418,446 |
| Total DEL | 34,028,368 | 47,403 | 34,075,771 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £34,525,951,000 is 7.5 per cent lower than the final net provision for 2007-08 of £37,313,670,000 and 8.6 per cent lower than the forecast outturn for 2007-08 of £37,793,448,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 1,457,903 | 2,890,706 | 1,990,747 |

Notes to the Main Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|-----------------|--|-------|
| RfR1 Section A: | Royal Navy and Royal Marine Sports Control Board | 121 |
| RfR1 Section B: | Army Sports Control Board | 425 |
| RfR1 Section K: | RAF Sports Control Board | 151 |
| RfR1 Section D: | The Royal British Legion | 231 |
| RfR1 Section D: | The Scott Polar Institute | 35 |
| RfR3 Section B: | Cost of awards to surviving members of British groups held prisoner by the Japanese during the Second World War (Far Eastern Prisoners of War) or their surviving spouse | 500 |

Notes to the Main Estimate (*continued*)

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|--------------------------------------|--------|
| Section O: | Navy and Maritime museums ♥ | 2,253 |
| Section Q: | National Army Museum ♥ | 5,591 |
| Section Q: | Royal Hospital, Chelsea ♥ | 9,487 |
| Section T: | Royal Air Force Museum ♥ | 7,189 |
| Section D: | Commonwealth War Graves Commission ♦ | 35,153 |
| Section D: | Skill force | 500 |
| Section D: | Combined Reserve Forces Association | 55,522 |

Notes to the Main Estimate (*continued*)

Contingent liabilities

| Nature of Liability | £'000 |
|---|-----------------------------|
| Contingent liabilities valued in excess of £100,000, included within RfR1 are as follows: | |
| <u>Statutory Liabilities Charged To Resource Estimates:</u> | nil |
| <u>Non-Statutory Liabilities Charged To Resource Estimates:</u> | |
| 1. Liability arising from the sale of Married Quarters estate to the Annington Group: to continue to provide utilities - mainly electricity, gas, water and sewerage services on repayment terms to sites that are surrendered in the first 25 to 28 years which depend on adjacent bases for these services; or to contribute to the cost of installing public utility services up to a maximum of £25M across the estate. | £17,538 |
| 2. Indemnity in relation to the disposal of Gruinard Island in the event of claims arising from the outbreak of specific strains of anthrax on the island. | Unquantifiable |
| 3. Liabilities arising from insurance risk of exhibits on loan to the Army, Navy and RAF Museums. | £2,535 |
| 4. Indemnity to BAe Systems (formerly GEC Marconi and Vickers Shipbuilding & Engineering Limited (VSEL), Barrow) for third party claims. | Up to £140,000 per incident |
| 5. Indemnity to Devonport Royal Dockyards Ltd (DRDL) in respect of nuclear risks under the Nuclear Installations Act, 1965. | Unlimited |
| 6. Indemnity to the Babcock Group in respect of nuclear risks under the Nuclear Installations Act, 1965. | Unquantifiable |
| 7. Residual liability for the remediation of unidentified contamination in parts of the former Rosyth Naval Base which has been sold to Rosyth 2000 PLC. | Up to £1,000 |
| 8. Indemnities to Devonport Royal Dockyards Ltd (DRDL) and to the Babcock Group in respect of non-nuclear risks resulting from claims for damage to property or death and personal injury to a third party. | Unquantifiable |
| 9. Contractorisation of Atomic Weapons Establishment (AWE): Indemnity to Hunting - BRAE Ltd/AWE in respect of nuclear risks under the Nuclear Installations Act, 1965. | Up to £140,000 per incident |
| 10. Contractorisation of AWE: Indemnity to AWE Management Ltd and AWE PLC in respect of Non-Nuclear Installations Act, 1965 nuclear risks resulting from claims for damage to property or death and personal injury to a third party. | Unquantifiable |

| | |
|--|-----------------------------|
| 11. Contractorisation of AWE: Indemnity to AWE Management Ltd in respect of non-nuclear risks covering employer's liability, property damage and business interruption, public and product liability. | Unquantifiable |
| 12. Contractorisation of AWE: Indemnity to AWE Management Ltd and AWE PLC in respect of any employee having a claim on a personal insurance policy repudiated because of that employee's involvement with Nuclear Accident Response Team activities. | Unquantifiable |
| 13. Indemnity to Rolls Royce Power Engineering, Derby for risks associated with the handling of fissile materials. | Up to £140,000 per incident |
| 14. Non-insurance of the Rolls Royce Core Factory and associated Neptune Test reactor facility for third party risks. | Unquantifiable |
| 15. Standard shipbuilding indemnity (in lieu of insurance) to GEC Marconi as part of the ASTUTE Class contract against loss damage and liability incurred by the submarine builder. | Unquantifiable |
| 16. Standard indemnity to BAe Systems (formerly GEC Marconi and VSEL) in respect of fissile material intended for use on the VANGUARD and ASTUTE Classes contract. | Unquantifiable |
| 17. Residual commercial contract claims liability arising out of the disbanding of DERA as a MOD trading agency and the formation of QinetiQ on 1 July 2001. | Unquantifiable |
| 18. Residual employee disease liability arising out of the disbanding of DERA as a MOD trading agency and the formation of QinetiQ on 1 July 2001. | Unquantifiable |
| 19. Residual public liability arising out of the disbanding of DERA as a MOD trading agency and the formation of QinetiQ on 1 July 2001. | Unquantifiable |
| 20. Environmental losses incurred by QinetiQ arising from certain defined materials at specific properties before the formation of QinetiQ on 1 July 2001. | Unquantifiable |
| 21. Provision of MOD support services to the Iraqi Ministry of Transport in opening Basra Airport | Unquantifiable |
| 22. Supplementary personal life insurance cover for Service personnel (both Regulars and Reservists). | Unquantifiable |
| 23. Indemnity to Rolls Royce Power Engineering against the possibility of unavoidable loss in the event of the termination of the agreement of the Naval Nuclear Propulsion Programme between MOD and the company. | Unquantifiable |
| 24. Liability to reimburse British Aerospace if the company has to pay Iran for the use of design rights in the supply of Tracked Rapier to MOD. | 5,000 |

| | |
|---|----------------|
| 25. The Armed Forces Memorial (AFM) MOD has an indemnity to the AFM trust. | 3,300 |
| 26. Excavation of the wreck of HMS Sussex. | 1,185 |
| 27. Indemnities to Devonport Royal Dockyard Ltd (DRDL) and to the Babcock Group in respect of loss or contamination of, or damage to property belonging or leased to, or in the custody of, the contractors and situated in the naval bases. (Indemnity includes loss of use, or loss of profit suffered by the contractor). | Unquantifiable |
| 28. Indemnities to Devonport Royal Dockyard Ltd (DRDL) for ship repair insurance for claims in excess of the amount covered by the contractors' own insurance (clause 6 of the Devonport Enabling Agreement). | Unquantifiable |
| 29. Indemnities to the Babcock Group for on-site claims and clean up costs relating to the west tip of Rosyth Dockyard as a result of environmental legislation. | Unquantifiable |
| 30. Liability to compensate to Devonport Royal Dockyard Ltd (DRDL) and to the Babcock Group for significant changes to the Core refit programme at Devonport Dockyard. | Unquantifiable |
| 31. Indemnities to Devonport Royal Dockyard Ltd (DRDL) in respect of certain costs in respect of pre-existing contamination in land at Devonport Dockyard before Vesting Day (13 March 1977). | Unquantifiable |
| 32. Indemnity to Fleet Support Ltd against nuclear risks. | Unquantifiable |
| 33. Indemnity to Fleet Support Ltd in the event that the company does not have the appropriate environmental discharge consents or waste management licence needed after vesting day (28 February 1988). | Unquantifiable |
| 34. Indemnity to Fleet Support Ltd against loss or damage to MOD property arising from war risk, sonic boom, change in the water table and the erosion of the sea bed. | Unquantifiable |
| 35. Indemnity to Fleet Support Ltd in respect of ship repair and property damage insurance claims in excess of the amount covered by the contractor's own insurance. | Unquantifiable |
| 36. Indemnity to Fleet Support Ltd in respect of any contamination in existence before Vesting Day (28 February 1998). | Unquantifiable |
| 37. Indemnity to Fleet Support Ltd in respect of any action, claims or proceedings by a third party for breach of infringement of Intellectual Property Rights. | Unquantifiable |
| 38. Indemnity to Fleet Support Ltd in the event of any explosion or ignition of MOD owned ammunition or explosives resulting in the loss, or damage, or in a claim or proceedings against the company. | Unquantifiable |
| 39. Indemnity to Fleet Support Ltd against any claims by an employee resulting from an act of omission before Vesting Day (28 February 1998). | Unquantifiable |
| 40. Indemnity to Fleet Support Ltd to meet the extra list of unavoidable redundancies at Portsmouth. | Unquantifiable |
| 41. Indemnity to Navy, Army and Air Force Institute against certain losses which they might incur as a result of MOD actions. | Unquantifiable |

| | |
|--|--------|
| 42. Indemnity to Rolls Royce against costs arising from nuclear contamination or any sort of pollution of their people and claims by third parties as a result of the deployment of the NATO Submarine Rescue Service. | 94,000 |
|--|--------|

Notes to the Main Estimate (*continued*)

Staff Benefits

For the Financial Year 2008-09 TLB holders have delegated authority to make special bonus payments to civil staff, to either an individual or to a team, in recognition of exceptional performance in a one-off task/situation, or for achievement of a significant personal development activity. Awards will not exceed £2,000 per person, and will not exceed 0.4% of the civilian paybill for the TLB in total. TLB holders are also able to authorise non-cash awards, which include such items as retail outlet or theatre ticket vouchers. Individual awards will not exceed £50 and nor will they in total exceed 0.1% of the civilian pay bill for the TLB.

Notes to the Main Estimate (*continued*)**International Subscriptions**

| RfR/Section | Body | £'000 |
|--------------------|--|--------------|
| Section D: | NATO Military Budgets | 53,388 |
| Section D: | NATO infrastructure projects | 77,058 |
| Section G: | UK Contribution to the Comprehensive Test Ban Treaty verification scheme | 4,204 |

Notes to the Main Estimate (*continued*)

Gifts

For the Financial Year 2008-09 a sum of £32,000 has been allocated to the offices of Ministers and certain senior staff to present gifts to overseas, or UK-based, non-governmental dignitaries from whom they receive, or to whom they make, visits.

Armed Forces retired pay, pensions etc

Introduction

1. This Estimate provides for the payment of retired pay, pensions and lump sum benefits to persons covered by the Armed Forces Pension Scheme (AFPS), the rules for which are set out in the Royal Navy Orders in Council the Army Pensions Warrant and the Queen's Regulations for the Royal Air Force. This Estimate also incorporates the two schemes: the Armed Forces Pension Scheme (AFPS 05) and Armed Forces Compensation Scheme (AFCS). The rules governing both these schemes are set out in the Armed Forces (Pensions and Compensation) Act, 2004.
2. Provision is also made for:
 - a) expenditure and receipts on transfer payments for personnel transferring outside the Armed Forces;
 - b) income from transfer payments and purchase of added years etc, and the increases payable in accordance with the Annual Review Orders;
 - c) payment of those benefits outside of the AFPS. Such benefits include short service gratuities, resettlement grants and pensions for locally engaged personnel;
 - d) the Superannuation Contribution Accruing for Past Experience (SCAPE) receipts for Armed Forces Personnel. The related expenditure is borne on the main Ministry of Defence Estimate under Provision of Defence Capability (RfR1);
 - e) this Estimate also provides for the payment of Early Departure costs for Armed Forces Personnel under the AFPS 05 scheme;
 - f) this Estimate also includes the associated non-cash items such as provisions.
3. The Ministry of Defence is responsible for administering the AFPS; the related staff and other costs are borne on the Ministry of Defence Estimate, Provision of Defence Capability (RfR1).
4. Supporting information relating to expenditure contained in this Estimate is included in the Departmental Annual Report and Accounts which will be published later this year.
5. Symbols are explained in the Introduction to this booklet.

Armed Forces retired pay, pensions etc

Part I

| | £ |
|--|----------------------|
| Request for Resources 1: Armed Forces retired pay, pensions etc | 5,869,365,000 |
| Total net resource requirement | 5,869,365,000 |
| Net cash requirement | 1,812,960,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Armed Forces retired pay, pensions etc on:

RfR 1: Armed Forces retired pay, pensions etc

Payment of retired pay, pensions and lump sum benefits and associated non-cash items to persons covered by the scheme.

The **Armed Forces retired pay, pensions etc** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|----------------------|------------------------------------|------------------------|
| RfR 1 | 5,869,365,000 | 2,293,037,000 | 3,576,328,000 |
| Total net resource requirement | 5,869,365,000 | 2,293,037,000 | 3,576,328,000 |
| Net cash requirement | 1,812,960,000 | 760,075,000 | 1,052,885,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|--|------------------|-----------|-------------|-----------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Armed Forces retired pay, pensions etc | | | | | | | | | |
| - | - | 7,334,819 | 7,334,819 | 1,465,454 | 5,869,365 | - | - | 5,595,638 | 4,398,961 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Retired pay, pensions and other payments to service personnel and their dependants | | | | | | | | | |
| - | - | 7,334,819 | 7,334,819 | 1,465,454 | 5,869,365 | - | - | 5,595,638 | 4,398,961 |
| Total for Estimate: | | | | | | | | | |
| - | - | 7,334,819 | 7,334,819 | 1,465,454 | 5,869,365 | - | - | 5,595,638 | 4,398,961 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 5,869,365 | 5,595,638 | 4,398,961 |
| Voted capital items | | | |
| Capital | - | - | - |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | - | - | - |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | - | - | - |
| Depreciation | - | - | - |
| New provisions and adjustments to previous provisions | -7,334,819 | -7,041,865 | -5,729,122 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | - |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | 90 | -10,979 |
| Increase (-) / Decrease (+) in creditors | - | -5,310 | -27,481 |
| Use of provisions | 3,278,414 | 3,290,504 | 3,040,589 |
| Total accruals to cash adjustments | -4,056,405 | -3,756,581 | -2,726,993 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 1,812,960 | 1,839,057 | 1,671,968 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Combined Revenue Account

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|----------------------------------|----------------------|----------------------|--------------------|
| Net Programme Costs | | | |
| RfR 1 | 5,869,365 | 5,595,638 | 4,398,961 |
| <i>of which:</i> | | | |
| Income | | | |
| Contributions received | 1,463,958 | 1,466,373 | 1,420,123 |
| Transfers in | 1,337 | 3,619 | 1,946 |
| Other income receivable | 159 | 258 | 149 |
| Total Income | 1,465,454 | 1,470,250 | 1,422,218 |
| Expenditure | | | |
| Increase in liability | 2,240,879 | 2,375,692 | 1,661,739 |
| Interest on scheme liability | 5,093,940 | 4,666,173 | 4,067,383 |
| Other expenditure | - | 24,023 | 92,057 |
| Total Expenditure | 7,334,819 | 7,065,888 | 5,821,179 |
| Total Net Programme costs | 5,869,365 | 5,595,638 | 4,398,961 |
| Total Net Operating Cost | 5,869,365 | 5,595,638 | 4,398,961 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 5,869,365 | 5,595,638 | 4,398,961 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 5,869,365 | 5,595,638 | 4,398,961 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 5,869,365 | 5,595,638 | 4,398,961 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 5,869,365 | 5,595,638 | 4,398,961 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 5,869,365 | 5,595,638 | 4,398,961 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | 5,869,365 | 5,595,638 | 4,398,961 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | - | - | - |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Sir Bill Jeffrey, Permanent Head of Department

Sir Bill Jeffrey as the Accounting Officer of the Armed Forces retired pay, pensions etc has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Armed Forces retired pay, pensions etc.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Armed Forces retired pay, pensions etc | | | |
| Programme | 1,465,454 | 1,470,250 | 1,422,218 |
| <i>of which:</i> | | | |
| Pension scheme related income | 1,465,454 | 1,470,250 | 1,422,218 |
| Total RfR 1 | 1,465,454† | 1,470,250 | 1,422,218 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: accruing superannuation liability charges and pension enhancements and transfers into the Armed Forces Pension Scheme (AFPS).</i> | | | |
| Total Operating A in A | 1,465,454 | 1,470,250 | 1,422,218 |

Notes to the Main Estimate (*continued*)

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £5,869,365,000 is 4.9 per cent higher than the final net provision for 2007-08 of £5,595,638,000 and 9.3 per cent higher than the forecast outturn for 2007-08 of £5,368,662,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 1,465,454 | 1,470,250 | 1,422,218 |

Foreign and Commonwealth Office

Introduction

1. This Estimate covers the cost of running the Foreign and Commonwealth Office including UK Trade and Investment, subscriptions to international organisations, conflict prevention and peacekeeping and the other FCO programmes and grants including gifts of equipment and services mainly in Africa, Asia, the Caribbean, Eastern Europe, Latin America and the overseas territories; the Government's grants in aid to FCO Services, the BBC in respect of the World Service for broadcasting, the FCO's contribution towards the expenses of the British Council; and on associated non-cash items.
2. The Estimate also provides for the refund of certain UK taxes and duties paid by certain Foreign and Commonwealth governments and international organisations. A detailed breakdown of expenditure in sections A to F is included in the 'Resources and Staffing' section of the Foreign and Commonwealth Office's Departmental Report to be published later in the year.
3. Symbols are explained in the introduction to this booklet

Foreign and Commonwealth Office

Part I

| | £ |
|--|----------------------|
| Request for Resources 1: Promoting internationally the interests of the UK and contributing to a strong world community | 1,689,093,000 |
| Request for Resources 2: Conflict prevention | 235,606,000 |
| Total net resource requirement | 1,924,699,000 |
| Net cash requirement | 1,876,705,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Foreign and Commonwealth Office on:

RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community

Expenditure by the Foreign and Commonwealth Office including UK Trade and Investment, on its administration, Wilton Park Executive Agency, hospitality and facilities; international organisations, grants-in-aid to bodies supporting FCO objectives; scholarships, information services and sponsored visits; special payments and assistance programmes to support foreign policy objectives including human rights, good governance, international security and the fight against the illicit drug trade; on grant-in-aid to FCO Services, the BBC World Service for broadcasting and to the British Council; the refund of certain taxes and duties paid by certain Foreign and Commonwealth governments and international organisations; and on associated non-cash items.

RfR 2: Conflict prevention

Expenditure by the Foreign and Commonwealth Office on conflict prevention, early warning, crisis management, conflict resolution/peacemaking, peacekeeping and peacebuilding activity and on associated strengthening of international and regional systems and capacity.

The **Foreign and Commonwealth Office** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|----------------------|------------------------------------|------------------------|
| RfR 1 | 1,689,093,000 | 734,279,000 | 954,814,000 |
| RfR 2 | 235,606,000 | 115,272,000 | 120,334,000 |
| Total net resource requirement | 1,924,699,000 | 849,551,000 | 1,075,148,000 |
| Net cash requirement | 1,876,705,000 | 805,219,000 | 1,071,486,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|--|---|---------|-------------|---------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non-operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community | | | | | | | | | |
| 493,569 | 1,384,524 | 271,000 | 2,149,093 | 460,000 | 1,689,093 | 177,060 | 18,000 | 1,704,963 | 1,581,934 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Administration, programmes and international organisations subscriptions. | | | | | | | | |
| 493,569 | 912,524 | 214,000 | 1,620,093 | 460,000 | 1,160,093 | 177,060 | 18,000 | 1,187,758 | 1,106,575 |
| B | BBC World Service Broadcasting | | | | | | | | |
| - | 234,000 | - | 234,000 | - | 234,000 | - | - | 222,043 | 208,543 |
| C | British Council | | | | | | | | |
| - | 188,000 | - | 188,000 | - | 188,000 | - | - | 186,362 | 183,124 |
| D | BBC World Service - Capital grant | | | | | | | | |
| - | - | 31,000 | 31,000 | - | 31,000 | - | - | 33,000 | 31,000 |
| E | British Council - Capital grant | | | | | | | | |
| - | - | 8,000 | 8,000 | - | 8,000 | - | - | 7,800 | 5,000 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| F | Administration, programmes and international organisations subscriptions | | | | | | | | |
| - | 50,000 | - | 50,000 | - | 50,000 | - | - | 50,000 | 27,205 |
| Non-Budget | | | | | | | | | |
| G | Reimbursement of certain duties taxes and licence fees | | | | | | | | |
| - | - | 18,000 | 18,000 | - | 18,000 | - | - | 18,000 | 20,487 |
| RfR 2: Conflict prevention | | | | | | | | | |
| - | - | 235,606 | 235,606 | - | 235,606 | - | - | 372,462 | 345,580 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Sub - Saharan Africa - Programme expenditure | | | | | | | | |
| - | - | 4,688 | 4,688 | - | 4,688 | - | - | 7,873 | 3,485 |
| B | Global - Programme expenditure | | | | | | | | |
| - | - | 19,793 | 19,793 | - | 19,793 | - | - | 45,231 | 40,638 |
| C | Sub - Saharan Africa - Peacekeeping | | | | | | | | |
| - | - | 100,000 | 100,000 | - | 100,000 | - | - | 195,986 | 198,255 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|------------------------------|--------------------------------|---------------------|--------------------------|---------------------|------------------------|--|--|--------------------------------|--------------------------------|------------------------------|----------------------------|
| 2008-09 Provision | | | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
| Resources | | | | | | Capital Non- operating A in A | | Net Total Resources | Net Total Resources | | |
| Admin 1 | Other Current 2 | Grants 3 | Gross Total 4 | A in A 5 | Net Total 6 | Capital 7 | Non- operating A in A 8 | 9 | 10 | | |
| D | Global - Peacekeeping | | | | | | | | | | |
| | - | - | 83,125 | 83,125 | - | 83,125 | - | - | 123,372 | 103,202 | |
| E | Stabilisation Aid Fund | | | | | | | | | | |
| | - | - | 28,000 | 28,000 | - | 28,000 | - | - | - | - | |
| Total for Estimate: | | | | | | | | | | | |
| | 493,569 | 1,384,524 | 506,606 | 2,384,699 | 460,000 | 1,924,699 | 177,060 | 18,000 | 2,077,425 | 1,927,514 | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 1,924,699 | 2,077,425 | 1,927,514 |
| Voted capital items | | | |
| Capital | 177,060 | 201,700 | 162,217 |
| Less Non-operating A-in-A | 18,000 | 15,300 | 57,728 |
| Total net voted capital | 159,060 | 186,400 | 104,489 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -52,004 | -65,004 | -50,540 |
| Depreciation | -155,050 | -126,509 | -108,760 |
| New provisions and adjustments to previous provisions | -14,000 | -15,000 | -14,545 |
| Profit/loss on sale of assets | - | - | 472 |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | -260 | -345 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | - | - |
| Use of provisions | 14,000 | 15,000 | - |
| Total accruals to cash adjustments | -207,054 | -191,773 | -173,718 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 1,876,705 | 2,072,052 | 1,858,285 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|----------------------|---------------------|----------------------|---------------------|--------------------|---------------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | 9,000 | <i>9,000</i> | 2,401 | <i>2,401</i> | 2,401 | <i>9,211</i> |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | 9,000 | <i>9,000</i> | 2,401 | <i>2,401</i> | 2,401 | <i>9,211</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 413,569 | 332,692 | 393,201 |
| RfR 2 | - | - | - |
| Total Net Administration costs | 413,569 | 332,692 | 393,201 |
| Net Programme Costs | | | |
| RfR 1 | 1,275,524 | 1,372,271 | 1,188,733 |
| RfR 2 | 235,606 | 372,462 | 345,580 |
| Non-voted | -6,000 | 3,461 | 417 |
| Total Net Programme costs | 1,505,130 | 1,748,194 | 1,534,730 |
| Total Net Operating Cost | 1,918,699 | 2,080,886 | 1,927,931 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 1,924,699 | 2,077,425 | 1,927,514 |
| Non-voted expenditure | 3,000 | 5,862 | 2,818 |
| Consolidated Fund Extra Receipts | -9,000 | -2,401 | -2,401 |
| Resource Budget | 1,879,699 | 2,008,060 | 1,854,492 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 1,924,699 | 2,077,425 | 1,927,514 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | 3,000 | 5,862 | 2,818 |
| Consolidated Fund Extra Receipts in the OCS | -9,000 | -2,401 | -2,401 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 1,918,699 | 2,080,886 | 1,927,931 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | 472 |
| Capital grants | -47,000 | -40,800 | -54,225 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | -18,000 | -18,000 | -20,487 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | 9,000 | 2,401 | 2,401 |
| Resource consumption of non departmental public bodies | - | -16,427 | -1,600 |
| Unallocated resource provision | 17,000 | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 1,879,699 | 2,008,060 | 1,854,492 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1,829,699 | 1,958,060 | 1,827,287 |
| Annually Managed Expenditure (AME) | 50,000 | 50,000 | 27,205 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 159,060 | 186,400 | 104,489 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | 16,427 | 1,600 |
| Capital grants | 47,000 | 40,800 | 54,225 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 206,060 | 243,627 | 160,314 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 206,060 | 243,627 | 160,314 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

Request for Resources 1: Peter Ricketts, Permanent Head of the Department

Request for Resources 2: Peter Ricketts, Permanent Head of the Department

Peter Ricketts as the Accounting Officer of the Foreign and Commonwealth Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Foreign and Commonwealth Office.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community | | | |
| Administration | 80,000 | 101,961 | 64,620 |
| <i>of which:</i> | | | |
| Sale of goods and services | 80,000 | 101,961 | 64,620 |
| Programme | 380,000 | 362,391 | 277,845 |
| <i>of which:</i> | | | |
| Sale of goods and services | 380,000 | 362,144 | 277,845 |
| EU Income | - | 247 | - |
| Total RfR 1 | 460,000† | 464,352 | 342,465 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: salary refunds of seconded diplomatic staff and locally engaged staff; the sale of information material, income from sub-letting and receipts from sales of surplus material and equipment; receipts at home and overseas for legalisation fees, telephone and postage recoveries, medical scheme recoveries, bank interest and other sundry receipts, repayment by locally engaged staff of loans for car purchase and medical and other assistance, receipts from Government Departments, receipts for visa, passport and other services provided at consular offices; Wilton Park executive agency receipts for related running costs from other customers and receipts from sales and rents, Hospitality Section, Conference and visits Group and Lancaster House receipts for related running costs from other customers, repayment of sums advanced to distressed British Nationals; repayments of defence assistance loans to Singapore and Malaysia, receipts from Sales into Wider Markets.</i> | | | |
| RfR 2: Conflict prevention | | | |
| Programme | - | 5,000 | - |
| <i>of which:</i> | | | |
| Sale of goods and services | - | 5,000 | - |
| Total RfR 2 | - | 5,000 | - |
| Total Operating A in A | 460,000 | 469,352 | 342,465 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community | | | |
| Programme | 18,000 | 15,300 | 57,728 |
| <i>of which:</i> | | | |
| Sale of assets | 18,000 | 15,300 | 57,728 |
| Total RfR 1 | 18,000† | 15,300 | 57,728 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of land and buildings, receipts from the sale of official vehicles and receipts realised by the British Council.</i> | | | |
| Total Non-Operating A in A | 18,000 | 15,300 | 57,728 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Consular Fees● | 2,401 | 2,401 | 2,401 | 2,401 | 2,401 | 9,211 |
| UN Peacekeeping Refunds● | 6,599 | 6,599 | - | - | - | - |
| Total | 9,000 | 9,000 | 2,401 | 2,401 | 2,401 | 9,211 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|-----------|-----------|-----------|
| | Voted | Non-voted | Total |
| Resource DEL | 1,809,699 | 20,000 | 1,829,699 |
| <i>of which:†</i> | | | |
| Administration budget | 425,287 | 5,282 | 430,569 |
| Near-cash in RDEL | 1,638,645 | 34,000 | 1,672,645 |
| Capital DEL†† | 206,060 | - | 206,060 |
| Less Depreciation††† | -105,050 | - | -105,050 |
| Total DEL | 1,910,709 | 20,000 | 1,930,709 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £1,924,699,000 is 7.4 per cent lower than the final net provision for 2007-08 of £2,077,425,000 and 5.1 per cent lower than the forecast outturn for 2007-08 of £2,028,600,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 478,000 | 484,652 | 400,193 |

Notes to the Main Estimate (*continued*)

Changes in Accounting Policies

FCO Services became a Trading Fund on the 1st April 2008 and therefore moved outside of the FCO Accounting Boundary.

The FCO will produce shadow accounts on an IFRS basis in 2008-09.

Notes to the Main Estimate (*continued*)

Grants in aid

| RfR/Section | Body | £'000 |
|----------------|---------------------------------------|---------|
| RfR1 - B and D | BBC World Service Broadcasting♦ | 265,000 |
| RfR1 - C and E | British Council♦ | 196,000 |
| RfR1 - A | Westminster Foundation for Democracy♦ | 4,100 |
| RfR1 - A | FCO Services♦ | - |

Notes to the Main Estimate (*continued*)**Contingent liabilities**

| Nature of Liability | £'000 |
|---|--------|
| British Council - Indemnities give by the British Council to the owners of objects exhibited overseas against loss or damage. | 10,055 |

Notes to the Main Estimate (*continued*)**International Subscriptions**

| RfR/Section | Body | £'000 |
|--------------------|---|--------------|
| RfR1 - A | UN Regular Budget | 64,625 |
| RfR1 - A | Commonwealth Secretariat | 4,338 |
| RfR1 - A | OECD | 12,700 |
| RfR1 - A | Western European Union | 1,945 |
| RfR1 - A | North Atlantic Treaty Organisation (NATO) | 19,776 |
| RfR1 - A | Council of Europe | 22,821 |
| RfR1 - A | OSCE | 3,988 |

Department for International Development

Introduction

1. This Estimate covers expenditure by the Department for International Development (DFID) on the United Kingdom's international development programme; global environmental assistance, including the Environmental Transformation Fund (jointly with the Department for the Environment, Food and Rural Affairs); charges relating to investments in international financial institutions and public corporations; payments to former beneficiaries of the Gibraltar Social Insurance Fund; conflict stabilisation and prevention (jointly with the Ministry of Defence and the Foreign & Commonwealth Office); related administrative work, including the administration of overseas pensions; and associated non-cash items.

2. Symbols are explained in the Introduction to this booklet.

Department for International Development

Part I

| | £ |
|---|----------------------|
| Request for Resources 1: Eliminating poverty in poorer countries | 5,133,072,000 |
| Request for Resources 2: Conflict prevention | 39,207,000 |
| Total net resource requirement | 5,172,279,000 |
| Net cash requirement | 4,812,309,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Department for International Development on:

RfR 1: Eliminating poverty in poorer countries

Development and humanitarian assistance under the International Development Act 2002, including financial and technical assistance to governments, institutions, voluntary agencies and individuals; capital subscriptions and other contributions, including payments under guarantee to multilateral development banks, UN, Commonwealth and other international and regional bodies; emergency, refugee and other relief assistance; grants in lieu of pensions in respect of overseas service; global environment assistance; costs relating to investments in public corporations and shareholdings in private sector companies; payments (under the authority of the European Communities Act 1972) to certain beneficiaries and former beneficiaries of the Gibraltar Social Insurance Fund; administration, related capital expenditure and other administrative costs; and associated non-cash items.

RfR 2: Conflict prevention

Conflict prevention, early warning, crisis management, conflict resolution/peacemaking and peacebuilding activity and on associated strengthening of international and regional systems and capacity; post-conflict reconstruction programmes, including administration and related capital expenditure; and associated non-cash items.

The **Department for International Development** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|----------------------|------------------------------------|------------------------|
| RfR 1 | 5,133,072,000 | 2,049,138,000 | 3,083,934,000 |
| RfR 2 | 39,207,000 | 17,144,000 | 22,063,000 |
| Total net resource requirement | 5,172,279,000 | 2,066,282,000 | 3,105,997,000 |
| Net cash requirement | 4,812,309,000 | 2,009,933,000 | 2,802,376,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
|--|---|-----------|-------------|--------|-----------|---------|----------------------|---------------------|---------------------|
| Resources | | | | | | Capital | | Net Total Resources | Net Total Resources |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-operating A in A | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Eliminating poverty in poorer countries | | | | | | | | | |
| 164,102 | 921,200 | 4,057,770 | 5,143,072 | 10,000 | 5,133,072 | 28,000 | 20,000 | 4,607,344 | 4,687,216 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Reducing Poverty in sub-Saharan Africa | | | | | | | | |
| 19,891 | 239,037 | 1,052,418 | 1,311,346 | - | 1,311,346 | - | - | 1,279,550 | 1,096,605 |
| B | Reducing Poverty in Asia | | | | | | | | |
| 9,695 | 102,711 | 585,879 | 698,285 | - | 698,285 | - | - | 799,500 | 780,416 |
| C | Reducing Poverty in the Rest of the World | | | | | | | | |
| 8,059 | 148,505 | 243,450 | 400,014 | - | 400,014 | - | - | 220,650 | 210,069 |
| D | Improve the Effectiveness of Multilateral Aid | | | | | | | | |
| 17,908 | 83,328 | 1,738,672 | 1,839,908 | - | 1,839,908 | - | - | 1,749,162 | 1,787,084 |
| E | Developing Innovative Approaches to Development | | | | | | | | |
| 17,461 | 60,666 | 219,334 | 297,461 | - | 297,461 | - | - | 194,278 | 69,505 |
| F | Central Departments | | | | | | | | |
| 91,088 | 95,773 | 70,227 | 257,088 | 10,000 | 247,088 | 28,000 | 20,000 | 91,910 | 111,281 |
| G | Environmental Transformation Fund | | | | | | | | |
| - | - | 50,000 | 50,000 | - | 50,000 | - | - | - | - |
| <i>Programmes Contributing to Multiple Objectives</i> | | | | | | | | | |
| - | - | - | - | - | - | - | - | 161,000 | 228,678 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| H | Programmes Contributing to Multiple Objectives | | | | | | | | |
| - | - | 97,790 | 97,790 | - | 97,790 | - | - | 101,294 | 91,459 |
| I | Grants to the International Finance Facility for Immunisation | | | | | | | | |
| - | 191,180 | - | 191,180 | - | 191,180 | - | - | 10,000 | 312,119 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
|--|------------------|-----------|-------------|--------|-----------|------------------------------|--------|------------------------|------------------------|
| Resources | | | | | | Capital Non- operating | | Net Total Resources | Net Total Resources |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 2: Conflict prevention | | | | | | | | | |
| 3,000 | - | 36,207 | 39,207 | - | 39,207 | - | - | 51,065 | 32,989 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Conflict Prevention and Stabilisation | | | | | | | | | |
| 3,000 | - | 36,207 | 39,207 | - | 39,207 | - | - | 51,065 | 32,989 |
| Total for Estimate: | | | | | | | | | |
| 167,102 | 921,200 | 4,093,977 | 5,182,279 | 10,000 | 5,172,279 | 28,000 | 20,000 | 4,658,409 | 4,720,205 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 5,172,279 | 4,658,409 | 4,720,205 |
| Voted capital items | | | |
| Capital | 28,000 | 77,343 | 31,593 |
| Less Non-operating A-in-A | 20,000 | 40,343 | 26,565 |
| Total net voted capital | 8,000 | 37,000 | 5,028 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -159,513 | -159,953 | -144,694 |
| Depreciation | -22,000 | -18,010 | -16,202 |
| New provisions and adjustments to previous provisions | -196,180 | 1,500 | -351,916 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | -277 | -260 | -12,076 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | -4,128 |
| Increase (-) / Decrease (+) in creditors | - | -43,789 | -125,607 |
| Use of provisions | 10,000 | 25,470 | 13,191 |
| Total accruals to cash adjustments | -367,970 | -195,042 | -641,432 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 4,812,309 | 4,500,367 | 4,083,801 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|------------------------|------------------|------------------------|----------------|------------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | 6,596 | <i>6,596</i> |
| Non-operating income not classified as A in A | - | - | - | - | 8,755 | <i>8,755</i> |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | 500 | <i>500</i> | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | 500 | <i>500</i> | 15,351 | <i>15,351</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 159,102 | 163,310 | 187,504 |
| RfR 2 | 3,000 | 3,700 | 2,949 |
| Total Net Administration costs | 162,102 | 167,010 | 190,453 |
| Net Programme Costs | | | |
| RfR 1 | 4,973,970 | 4,444,034 | 4,499,712 |
| RfR 2 | 36,207 | 47,365 | 30,040 |
| Non-voted | - | - | -6,596 |
| Total Net Programme costs | 5,010,177 | 4,491,399 | 4,523,156 |
| Total Net Operating Cost | 5,172,279 | 4,658,409 | 4,713,609 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 5,172,279 | 4,658,409 | 4,720,205 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | -6,596 |
| Resource Budget | 5,157,798 | 4,665,559 | 4,609,908 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 5,172,279 | 4,658,409 | 4,720,205 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | -6,596 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 5,172,279 | 4,658,409 | 4,713,609 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | -873,000 | -694,250 | -768,701 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | 107,519 | - | - |
| Other adjustments | 751,000 | 701,400 | 665,000 |
| Resource Budget (Budget) | 5,157,798 | 4,665,559 | 4,609,908 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 4,868,828 | 4,563,685 | 4,206,330 |
| Annually Managed Expenditure (AME) | 288,970 | 101,874 | 403,578 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 8,000 | 37,000 | 5,028 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | -8,755 |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | 873,000 | 694,250 | 768,701 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | 10,000 | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 891,000 | 731,250 | 764,974 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 891,000 | 731,250 | 764,974 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

Request for Resources 1: Nemat Shafik, Permanent Head of the Department

Request for Resources 2: Nemat Shafik, Permanent Head of the Department

Nemat Shafik as the Accounting Officer of the Department for International Development has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for International Development.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Eliminating poverty in poorer countries | | | |
| Administration | 5,000 | 5,061 | 2,998 |
| <i>of which:</i> | | | |
| Sale of goods and services | 5,000 | 5,061 | 2,998 |
| Programme | 5,000 | 5,000 | 1,235 |
| <i>of which:</i> | | | |
| Sale of goods and services | 5,000 | 1,000 | 391 |
| Interest and dividends | - | 4,000 | 844 |
| Total RfR 1 | 10,000† | 10,061 | 4,233 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from overseas governments in respect of bilateral country and sector programmes; refunds of payments made under UK guarantees to the European Investment Bank; receipts of interest on bilateral and multilateral loans; administration receipts for: seconded officers, including recovery of the European Bank for Reconstruction and Development Executive Director's salary; recoveries from other government departments; rental income ; recoveries from staff for use of official vehicles.</i> | | | |
| Total Operating A in A | 10,000 | 10,061 | 4,233 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Eliminating poverty in poorer countries | | | |
| Programme | 20,000 | 40,343 | 26,565 |
| <i>of which:</i> | | | |
| Sale of assets | - | 53 | 156 |
| Loan, etc, repayments | 20,000 | 40,290 | 26,409 |
| Total RfR 1 | 20,000† | 40,343 | 26,565 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: repayments of loans given to the Crown Agents; capital repayments of development assistance loans, income from debentures issued to DFID by CDC Group plc and income from the sale of land, buildings, surplus vehicles, and other fixed assets.</i> | | | |
| Total Non-Operating A in A | 20,000 | 40,343 | 26,565 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Loan and Other Interest Φ | - | - | - | - | 6,596 | 6,596 |
| Capital receipts Φ | | | | | 8,755 | 8,755 |
| Other amounts collectable on behalf of the Consolidated Fund ● | - | - | 500 | 500 | - | - |
| Total | - | - | 500 | 500 | 15,351 | 15,351 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|------------------|------------------|------------------|
| | Voted | Non-voted | Total |
| Resource DEL | 4,010,309 | 858,519 | 4,868,828 |
| <i>of which: †</i> | | | |
| Administration budget | 162,102 | 898 | 163,000 |
| Near-cash in RDEL | 3,921,309 | 858,519 | 4,779,828 |
| Capital DEL †† | 881,000 | 10,000 | 891,000 |
| Less Depreciation ††† | -22,000 | - | -22,000 |
| Total DEL | 4,869,309 | 868,519 | 5,737,828 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £5,172,279,000 is 11.0 per cent higher than the final net provision for 2007-08 of £4,658,409,000 and 11.0 per cent higher than the forecast outturn for 2007-08 of £4,658,158,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 30,000 | 50,404 | 30,798 |

Notes to the Main Estimate (*continued*)

Contingent liabilities

| Nature of Liability | £'000 |
|--|-----------|
| Callable element of capital subscription: International Bank for Reconstruction and Development | 4,022,000 |
| Callable element of capital subscription: other International Financial Institutions | 2,159,000 |
| UK share of EU member states collective guarantee of lending by the European Investment Bank under the Lome Convention | 344,314 |
| Guarantee of borrowing by CDC Group from European Investment Bank | 8,391 |
| UK National Guarantee of EIB lending to UK overseas territories | 1,078 |

Department for International Development: Overseas Superannuation

Introduction

1. This Estimate covers the payment of pensions and grants under various superannuation schemes relating to service overseas. The main components are pensions, including UK supplements and increases, of former officers of the India, Pakistan and Burma civil and military services and their dependants, and of former colonial public servants and their dependants; pensions for beneficiaries of certain former overseas pensions funds for which the UK assumed responsibility; contributions to pension funds guaranteed by the UK; refunds of contributions made by overseas governments; and war service credit.
2. The resource provision in the Estimate is for the interest cost arising during the year from the increase in the present value of the discounted provision for scheme liability because the benefits are one year closer to settlement. The schemes are closed with no active members and there is therefore no resource provision for current service costs.
3. The Net Cash Requirement reflects planned payments to pensioners during the year.
4. The administration costs associated with the Estimate are met from the Department for International Development Estimate.
5. Further details can be found in the departmental annual report 2008.
6. Symbols are explained in the Introduction to this booklet.

Department for International Development: Overseas Superannuation

Part I

| | £ |
|---|--------------------|
| Request for Resources 1: Overseas superannuation | 66,048,000 |
| Total net resource requirement | 66,048,000 |
| Net cash requirement | 110,996,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Department for International Development: Overseas Superannuation on:

RfR 1: Overseas superannuation

Pension and superannuation payments, grants and compensation payments, etc. in respect of overseas services; pensions for beneficiaries of certain former overseas pensions funds for which the UK assumed responsibility; contributions to pensions funds guaranteed by the UK; refunds of contributions made by overseas governments; war service credit; and associated non-cash items.

The **Department for International Development: Overseas Superannuation** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|--------------------|------------------------------------|------------------------|
| RfR 1 | 66,048,000 | 25,939,000 | 40,109,000 |
| Total net resource requirement | 66,048,000 | 25,939,000 | 40,109,000 |
| Net cash requirement | 110,996,000 | 51,526,000 | 59,470,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|------------------|--------|-------------|--------|-----------|------------------------------|--------------------|------------------------|------------------------|
| Resources | | | | | | Capital Non- operating | | Net Total Resources | Net Total Resources |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | 9 | 10 |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | |
| RfR 1: Overseas superannuation | | | | | | | | | |
| - | - | 66,052 | 66,052 | 4 | 66,048 | - | - | 59,043 | 65,785 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Pensions and associated expenditure | | | | | | | | | |
| - | - | 66,052 | 66,052 | 4 | 66,048 | - | - | 59,043 | 65,785 |
| Total for Estimate: | | | | | | | | | |
| - | - | 66,052 | 66,052 | 4 | 66,048 | - | - | 59,043 | 65,785 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 66,048 | 59,043 | 65,785 |
| Voted capital items | | | |
| Capital | - | - | - |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | - | - | - |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | - | - | - |
| Depreciation | - | - | - |
| New provisions and adjustments to previous provisions | -66,052 | -59,047 | -65,785 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | - |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | 106 |
| Increase (-) / Decrease (+) in creditors | - | - | 11 |
| Use of provisions | 111,000 | 114,507 | 113,002 |
| Total accruals to cash adjustments | 44,948 | 55,460 | 47,334 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 110,996 | 114,503 | 113,119 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|----------------------|-----------------|----------------------|-----------------|--------------------|-----------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | 2 | 2 |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | - | - | 2 | 2 |

Forecast Combined Revenue Account

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|----------------------------------|----------------------|----------------------|--------------------|
| Net Programme Costs | | | |
| RfR 1 | 66,048 | 59,043 | 65,783 |
| <i>of which:</i> | | | |
| Income | | | |
| Contributions received | 4 | 4 | - |
| Transfers in | - | - | - |
| Other income receivable | - | - | 2 |
| Total Income | 4 | 4 | 2 |
| Expenditure | | | |
| Increase in liability | - | - | - |
| Interest on scheme liability | 66,052 | 59,047 | 65,785 |
| Other expenditure | - | - | - |
| Total Expenditure | 66,052 | 59,047 | 65,785 |
| Total Net Programme costs | 66,048 | 59,043 | 65,783 |
| Total Net Operating Cost | 66,048 | 59,043 | 65,783 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 66,048 | 59,043 | 65,785 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | -2 |
| Resource Budget | 66,048 | 59,043 | 65,783 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|--|----------------------|----------------------|--------------------|
| Net Resource Requirement (Estimates) | 66,048 | 59,043 | 65,785 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | -2 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 66,048 | 59,043 | 65,783 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 66,048 | 59,043 | 65,783 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | 66,048 | 59,043 | 65,783 |

Reconciliation of capital expenditure between Estimates and Budgets

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|--|----------------------|----------------------|--------------------|
| Net Voted Capital (Estimates) | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | - | - | - |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Nemat Shafik, Head of the Department

Nemat Shafik as the Accounting Officer of the Department for International Development: Overseas Superannuation has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for International Development: Overseas Superannuation.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Overseas superannuation | | | |
| Programme | 4 | 4 | - |
| <i>of which:</i> | | | |
| Pension scheme related income | 4 | 4 | - |
| Total RfR 1 | 4† | 4 | - |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: UK police force share of superannuation in respect of retired UK police officers with joint UK and overseas service.</i> | | | |
| Total Operating A in A | 4 | 4 | - |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|---------------------------------|-----------|----------|-----------|----------|---------|----------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Contributions Received Δ | - | - | - | - | 2 | 2 |
| Total | - | - | - | - | 2 | 2 |

Notes to the Main Estimate (*continued*)

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £66,048,000 is 11.9 per cent higher than the final net provision for 2007-08 of £59,043,000 and 14.6 per cent higher than the forecast outturn for 2007-08 of £57,643,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 4 | 4 | - |

Notes to the Main Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|-------------|--|-------|
| RfR 1 A | Payments to pensioners for service with the Cotton Research Corporation | 18 |
| RfR 1 A | Grants to certain former civil servants of the Republic of Yemen and its predecessors and to former civil servants of Burma, Guyana, Jamaica, Somaliland, Tanzania, Uganda, Zanzibar and the East African Community under the Carr/Robertson Assurance 1964 | 308 |
| RfR 1 A | Pensions to and in respect of certain officers and warrant officers of the former British India and Burma armed forces analagous to the pensions payable to British armed forces personnel under the Naval, Military and Air Forces (Disablement and Death) Service Pensions Order, as amended | 1,300 |
| RfR 1 A | Pensions in respect of certain former Palestine Police personnel analagous to the pensions payable to British civilians under the Personal Injuries Civilian Scheme | 26 |

Notes to the Main Estimate (*continued*)**Contingent liabilities**

| Nature of Liability | £'000 |
|---|---------|
| Hong Kong (Overseas Public Servants) Act 1996 - Sterling Safeguard Scheme for value of public service pensions. | 132,000 |
| Transfer value settlements regarding amounts claimed by the Government of Hong Kong. | 94 |

Department for Business, Enterprise and Regulatory Reform

Introduction

1. The Department for Business, Enterprise and Regulatory Reform has one Request for Resources : **RFR1: Increasing UK Competitiveness.**
2. This Request for Resources provides for the promotion of enterprise, innovation and increased productivity delivered through market solutions designed to meet market imperfections; promotion of strong, fair, and competitive markets at home and abroad including developing fair and effective legal and regulatory frameworks; support for energy-related activities including regulation, security, civil emergency planning, environmental remediation and support for new and sustainable energy sources; the efficient management and discharge of liabilities (mainly nuclear and coal) falling to the Department; payments to other Government Departments and grants in aid in relation to the above objectives; financial assistance to public corporations.
3. A detailed analysis of appropriations in aid for this Request for Resources, and related income and Consolidated Fund Extra Receipts can be found below.
4. A number of grants in aid and international subscriptions in excess of £1 million are borne by this Request for Resources. These are listed below in the Notes to the Estimate.
5. BERR issues overall resource-based budgets and makes payments of grant in aid to the Regional Development Agencies (RDAs). DCLG, DIUS, DEFRA, DCMS and UKTI contribute by supplying resources which BERR will appropriate in aid. BERR will manage the resources centrally, with payments to the RDAs being authorised and certified by the Government Offices for the Regions (GOs). The eight Regional Development Agencies (and the London Development Agency) are currently expected to receive £248,920,000 of receipts from the private sector and local authorities. They are entitled to use receipts up to a total of £323,596,000. Receipts over and above that level will be treated as appropriations in aid for which Parliamentary approval will be needed, or surrendered to the Consolidated Fund as extra receipts.
6. Symbols are explained in the Introduction to this booklet.

Department for Business, Enterprise and Regulatory Reform

Part I

| | £ |
|---|----------------------|
| Request for Resources 1: Increasing UK competitiveness | 3,389,422,000 |
| Total net resource requirement | 3,389,422,000 |
| Net cash requirement | 3,905,188,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Department for Business, Enterprise and Regulatory Reform on:

RfR 1: Increasing UK competitiveness

Promotion of enterprise, innovation and increased productivity delivered through market solutions designed to meet market imperfections identified within the portfolios of innovation, international trade and investment, regional investment, enterprise for small firms and people & skills; support for business, including support for specific industries, small businesses, regional programmes and programmes to promote research and development, innovation, best practice and sustainable development;

promotion of strong, fair and competitive markets at home and abroad including developing fair and effective legal and regulatory frameworks and delivering regulatory reform, measures to combat international bribery and corruption, measures to protect investors, measures to promote the interests of consumers, support for employment relations programmes and measures to promote a skilled and flexible labour market; support for energy-related activities including measures related to regulation, civil emergency planning, environmental remediation and support for new and sustainable energy sources, security, non-proliferation;

safety, environment and social impact programmes relating to nuclear sites in Central and Eastern Europe and the Former Soviet Union and other countries where future G8 Global Partnership related initiatives may be pursued; the efficient management and discharge of liabilities falling to the Department, including nuclear waste management and decommissioning and liabilities in respect of former coal and shipbuilding industry employees; provision of a repayable credit facility for Royal Mail;

exchange risk and other guarantee losses; subscriptions to international organisations and fulfilment of international treaty obligations; payments to other Government departments and the Devolved Administrations in relation to programmes supporting BERR objectives; support for Government Offices; grants and grants-in-aid to organisations promoting BERR objectives, including Non-Departmental Public Bodies; financial assistance to public corporations and trading funds including Ofcom; managing the Government's shareholder interest in Royal Mail, British Energy, BNFL, UKAEA, Royal Mint, Partnerships UK and Actis;

funding of the Department's executive agencies; issuing budgets and making payments to Regional Development Agencies, to which other Government departments will contribute by supplying resources which BERR will appropriate in aid; payments to local authorities in respect of Local Area Agreements and New Burdens responsibilities; miscellaneous programmes, including payments in respect of claims for the restitution of property of victims of Nazi persecution, compensation for distant water trawlermen and assistance to redundant steelworkers and dismissed miners; Departmental administration costs and a share of the administration costs of UK Trade and Investment; payments towards the expenses of the Office of Manpower Economics; associated non-cash items

The **Department for Business, Enterprise and Regulatory Reform** will account for this Estimate.

£

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|----------------------|---|--------------------------------|
| RfR 1 | 3,389,422,000 | 1,488,954,000 | 1,900,468,000 |
| Total net resource requirement | 3,389,422,000 | 1,488,954,000 | 1,900,468,000 |
| Net cash requirement | 3,905,188,000 | 2,927,022,000 | 978,166,000 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | | |
|--|---|-----------|-------------|-----------|------------|------------------------------|--------------------|------------|------------|-------|--|--|
| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | | | | |
| Resources | | | | | | Capital Non- operating | | Net Total | Net Total | | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | | |
| RfR 1: Increasing UK competitiveness | | | | | | | | | | | | |
| 370,163 | 964,185 | 5,182,627 | 6,516,975 | 3,127,553 | 3,389,422 | 12,081,835 | 11,950,000 | 4,312,178 | 2,681,453 | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | | |
| A | Extending Competitive Markets | | | | | | | | | | | |
| 120 | 137,527 | 36,461 | 174,108 | 106,738 | 67,370 | 30 | - | 71,902 | 40,898 | | | |
| B | Security of Energy Supply | | | | | | | | | | | |
| - | 5,788 | 3,113 | 8,901 | 12,605 | -3,704 | - | - | -4,273 | -2,847 | | | |
| C | Sustainability and the Environment | | | | | | | | | | | |
| - | 9,136 | 65,200 | 74,336 | - | 74,336 | - | - | 61,417 | 69,773 | | | |
| D | Enterprise Growth and Business Investment | | | | | | | | | | | |
| - | 126,204 | -9,336 | 116,868 | 11,000 | 105,868 | 54,200 | - | 109,038 | 76,471 | | | |
| E | Regional Economies | | | | | | | | | | | |
| - | - | 28,800 | 28,800 | 1,675,510 | -1,646,710 | - | - | -1,749,241 | -1,680,450 | | | |
| F | Trade and Investment | | | | | | | | | | | |
| 48,209 | - | - | 48,209 | 300 | 47,909 | 20 | - | 49,414 | 46,835 | | | |
| G | Maximising Potential in the Workplace | | | | | | | | | | | |
| - | 61,929 | 13,827 | 75,756 | 4,520 | 71,236 | 1,035 | - | 54,772 | 61,168 | | | |
| H | Corporate Activity and Insolvency Framework | | | | | | | | | | | |
| 1,980 | 197,823 | 5,098 | 204,901 | 151,090 | 53,811 | 14,700 | - | 69,407 | 45,572 | | | |
| I | Assets and Liabilities | | | | | | | | | | | |
| 15,331 | 299,317 | 13,667 | 328,315 | 1,134,000 | -805,685 | - | - | -849,181 | -943,011 | | | |
| J | Nuclear Security and Export Control | | | | | | | | | | | |
| - | 95 | 56,201 | 56,296 | - | 56,296 | - | - | 59,791 | 50,294 | | | |
| K | Activities in Support of all Objectives | | | | | | | | | | | |
| 304,523 | 30,221 | - | 334,744 | 31,790 | 302,954 | 11,850 | - | 472,654 | 299,258 | | | |
| | <i>Knowledge Transfer and Innovation</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 11,206 | 32,777 | | | |
| <i>Support for Local Authorities</i> | | | | | | | | | | | | |
| L | Regional Economies | | | | | | | | | | | |
| - | - | 389,674 | 389,674 | - | 389,674 | - | - | 391,184 | 415,625 | | | |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|---|------------------|------------------|------------------|------------------|------------------------------|--------------------|------------------|------------------------|-----------|--|
| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | | | |
| Resources | | | | | | Capital Non- operating | | Net Total | | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Net Total Resources | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| M | Maximising Potential in the Workplace | | 35,000 | 35,000 | - | 35,000 | - | - | 42,800 | 6,692 | |
| N | Assets and Liabilities | | 5,069 | 101,214 | - | 101,214 | 12,000,000 | 11,950,000 | 140,449 | 72,107 | |
| <i>Support for Local Authorities</i> | | | | | | | | | | | |
| O | Regional Economies | | 2,567 | 2,567 | - | 2,567 | - | - | 2,567 | 3,454 | |
| Non-Budget | | | | | | | | | | | |
| P | Extending Competitive Markets | | 38,678 | 38,678 | - | 38,678 | - | - | 38,311 | 34,705 | |
| Q | Security of Energy Supply | | 10,642 | 10,642 | - | 10,642 | - | - | 10,700 | 8,211 | |
| R | Enterprise Growth and Business Investment | | 2,545 | 2,545 | - | 2,545 | - | - | 300 | - | |
| S | Regional Economies | | 1,769,787 | 1,769,787 | - | 1,769,787 | - | - | 1,832,010 | 1,730,621 | |
| T | Corporate Activity and Insolvency Framework | | 4,400 | 4,400 | - | 4,400 | - | - | 2,010 | - | |
| U | Assets and Liabilities | | 2,708,234 | 2,708,234 | - | 2,708,234 | - | - | 3,491,941 | 2,313,300 | |
| V | Nuclear Security and Export Control | | 3,000 | 3,000 | - | 3,000 | - | - | 3,000 | - | |
| Total for Estimate: | | | | | | | | | | | |
| 370,163 | 964,185 | 5,182,627 | 6,516,975 | 3,127,553 | 3,389,422 | 12,081,835 | 11,950,000 | 4,312,178 | 2,681,453 | | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 3,389,422 | 4,312,178 | 2,681,453 |
| Voted capital items | | | |
| Capital | 12,081,835 | 10,672,887 | 9,049,711 |
| Less Non-operating A-in-A | 11,950,000 | 9,957,479 | 8,595,784 |
| Total net voted capital | 131,835 | 715,408 | 453,927 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -151,581 | -184,358 | -97,952 |
| Depreciation | -37,453 | -38,279 | -22,777 |
| New provisions and adjustments to previous provisions | -38,411 | -259,542 | -177,311 |
| Profit/loss on sale of assets | - | - | -161 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -385 | -305 | -316 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | -6,000 | -6,000 | -15,062 |
| Increase (-) / Decrease (+) in creditors | - | 365,904 | - |
| Use of provisions | 617,761 | 1,135,506 | 1,176,021 |
| Total accruals to cash adjustments | 383,931 | 1,012,926 | 862,442 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 3,905,188 | 6,040,512 | 3,997,822 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------------------|------------------------|------------------------------|------------------------|----------------------------|-------------------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | 2,186 | <i>2,186</i> | 2,186 | <i>2,186</i> | 1,829,650 | <i>1,829,650</i> |
| Non-operating income not classified as A in A | 863,000 | <i>863,000</i> | 828,400 | <i>828,400</i> | 1,273,271 | <i>1,273,271</i> |
| Other amounts collectable on behalf of the Consolidated Fund | 90,000 | <i>90,000</i> | 77,782 | <i>77,782</i> | 226,828 | <i>226,828</i> |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | <i>-</i> | - | <i>-</i> | - | <i>-</i> |
| Total | 955,186 | <i>955,186</i> | 908,368 | <i>908,368</i> | 3,329,749 | <i>3,329,749</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 332,173 | 516,729 | 338,529 |
| Total Net Administration costs | 332,173 | 516,729 | 338,529 |
| Net Programme Costs | | | |
| RfR 1 | 3,057,249 | 3,795,449 | 515,530 |
| Non-voted | 246,626 | 256,623 | 202,387 |
| Total Net Programme costs | 3,303,875 | 4,052,072 | 717,917 |
| Total Net Operating Cost | 3,636,048 | 4,568,801 | 1,056,446 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 3,389,422 | 4,312,178 | 2,681,453 |
| Non-voted expenditure | 248,812 | 258,809 | 204,643 |
| Consolidated Fund Extra Receipts | -2,186 | -2,186 | -1,829,650 |
| Resource Budget | 2,121,946 | 2,464,917 | 8,641,468 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 3,389,422 | 4,312,178 | 2,681,453 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | 248,812 | 258,809 | 204,643 |
| Consolidated Fund Extra Receipts in the OCS | -2,186 | -2,186 | -1,829,650 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 3,636,048 | 4,568,801 | 1,056,446 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -161 |
| Capital grants | -284,258 | -245,903 | -298,481 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | -149 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | -4,200 | 1,805,153 |
| Resource consumption of non departmental public bodies | -1,245,428 | -1,853,781 | 6,078,660 |
| Unallocated resource provision | 15,584 | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 2,121,946 | 2,464,917 | 8,641,468 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 2,151,051 | 2,803,157 | 1,963,659 |
| Annually Managed Expenditure (AME) | -29,105 | -338,240 | 6,677,809 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 131,835 | 715,408 | 453,927 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | -863,000 | -828,400 | -1,273,271 |
| Capital spending by non-departmental public bodies | 1,099,881 | 1,013,866 | 979,981 |
| Capital grants | 284,258 | 245,903 | 298,481 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | -113,955 | 18,269 | - |
| Other adjustments | - | 3 | 8 |
| Capital Budget (Budget) | 539,019 | 1,165,049 | 459,126 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1,228,019 | 1,194,049 | 1,148,006 |
| Annually Managed Expenditure (AME) | -689,000 | -29,000 | -688,880 |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Sir Brian Bender, Permanent Head of the Department

Sir Brian Bender as the Accounting Officer of the Department for Business, Enterprise and Regulatory Reform has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Business, Enterprise and Regulatory Reform.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Increasing UK competitiveness | | | |
| Administration | 37,990 | 43,934 | 29,429 |
| <i>of which:</i> | | | |
| Sale of goods and services | 37,990 | 43,934 | 29,429 |
| Programme | 3,089,563 | 3,368,926 | 3,166,979 |
| <i>of which:</i> | | | |
| Sale of goods and services | 1,263,271 | 1,477,410 | 1,334,150 |
| Regulatory licences, fines, penalties and taxes | 98,000 | 88,058 | 79,174 |
| Other grant income (including repayments of grants/subsidies) | 1,728,292 | 1,803,458 | 1,753,655 |
| Total RfR 1 | 3,127,553† | 3,412,860 | 3,196,408 |

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income relating to Small Firms Loan Guarantee and other small firms support schemes, receipts from the Department for Communities and Local Government, Department of Environment, Food and Rural Affairs, the Department for Innovation Universities and Skills, the Department for Culture, Media and Sport and UK Trade and Investment in relation to Regional Development Agencies and the London Development Agency, receipts from the nuclear industry in relation to the Nuclear Decommissioning Authority, income relating to ACAS, the Insolvency Service, the Shareholder Executive, legal services, consultancy, publications, secondments, departmental administration costs, central services, executive agencies and trading funds, including income related to Ofcom; receipts from the Postal Services Commission and Office of Gas and Electricity Markets to cover the costs of the relevant Consumer Councils; miscellaneous receipts from other Government Departments.

| | | | |
|-------------------------------|------------------|------------------|------------------|
| Total Operating A in A | 3,127,553 | 3,412,860 | 3,196,408 |
|-------------------------------|------------------|------------------|------------------|

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Increasing UK competitiveness | | | |
| Programme | 11,950,000 | 9,957,479 | 8,595,784 |
| <i>of which:</i> | | | |
| Sale of assets | - | 4,291 | 205 |
| Loan, etc, repayments | 11,950,000 | 9,953,188 | 8,595,579 |
| Total RfR 1 | 11,950,000† | 9,957,479 | 8,595,784 |

† Amount that may be applied as non-operating appropriations in aid, arising from: the repayment of loans to the Royal Mail.

| | | | |
|-----------------------------------|-------------------|------------------|------------------|
| Total Non-Operating A in A | 11,950,000 | 9,957,479 | 8,595,784 |
|-----------------------------------|-------------------|------------------|------------------|

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|------------------|-----------------|------------------|-----------------|------------------|------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Distribution of surpluses from coal industry pension scheme Δ | 286,000 | 286,000 | 286,000 | 286,000 | 569,000 | 569,000 |
| Release from the Coal Pension Funds Investment Reserve Δ | 133,000 | 133,000 | 133,000 | 133,000 | - | - |
| Application fees for petroleum exploration and production licenses, and initial and periodic payment (rents). Royalty on petroleum won and saved ● | - | - | - | - | 60,262 | 60,262 |
| OFCOM Φ | 555 | 555 | 555 | 555 | 273 | 273 |
| OFCOM ● | 60,000 | 60,000 | 57,297 | 57,297 | 90,262 | 90,262 |
| Companies House receipts from late filing penalties ● | 30,000 | 30,000 | 12,000 | 12,000 | 39,435 | 39,435 |
| Receipts of the Coal Authority ● | - | - | 4,200 | 4,200 | 369 | 369 |
| Privatisation of the coal industry, including property Clawback receipts Δ | - | - | 4,200 | 4,200 | - | - |
| Receipt of dividend from the Companies House Executive Agency trading fund Φ | 1,582 | 1,582 | 1,582 | 1,582 | 1,955 | 1,955 |
| Interest on loans advanced by the S of S to the Companies House Executive Agency trading fund Φ | 49 | 49 | 49 | 49 | 28 | 28 |
| Levies on sales of aero engines and airframes Φ | 124,000 | 124,000 | 149,400 | 149,400 | 154,118 | 154,118 |
| Non nuclear energy miscellaneous receipts ● | - | - | 85 | 85 | - | - |
| Post Office Network Recoveries for Universal Banking Services ● | - | - | - | - | 36,500 | 36,500 |
| Reimbursement of Royal Mail Legal and Commitment Fees Δ | - | - | - | - | 5,189 | 5,189 |
| BNFL/Magnox debenture Δ | - | - | - | - | 1,799,964 | 1,799,964 |
| BNFL Equity withdrawal Δ | 320,000 | 320,000 | 260,000 | 260,000 | 550,153 | 550,153 |
| Interest on BNFL Investment Δ | - | - | - | - | 22,241 | 22,241 |
| Total | 955,186 | 955,186 | 908,368 | 908,368 | 3,329,749 | 3,329,749 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|------------|-----------|-----------|
| | Voted | Non-voted | Total |
| Resource DEL | -532,412 | 2,683,463 | 2,151,051 |
| <i>of which:†</i> | | | |
| Administration budget | 332,173 | - | 332,173 |
| Near-cash in RDEL | -665,028 | 2,706,702 | 2,041,674 |
| Capital DEL†† | -672,398 | 1,900,417 | 1,228,019 |
| Less Depreciation††† | -37,453 | -36,011 | -73,464 |
| Total DEL | -1,242,263 | 4,547,869 | 3,305,606 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £3,389,422,000 is 21.4 per cent lower than the final net provision for 2007-08 of £4,312,178,000 and 15.6 per cent lower than the forecast outturn for 2007-08 of £4,017,138,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 15,077,553 | 13,370,339 | 11,792,192 |

Notes to the Main Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|-------------|--|--------|
| RfR 1 | | |
| J3 | Non-proliferation: international subscriptions | 20,001 |
| A3 | Trade Policy: international subscriptions | 4,878 |
| A2 | Trade Policy: other resource expenditure | 2,896 |
| P3 | Grant in Aid to SITPRO | 800 |
| I2 | Bevin Boys Commemorative Lapel Badge | 42 |
| A3 | City of London Police Unit | 140 |
| I2 | British Shipbuilders (Vosper Gap) Health Liabilities | 350 |

Notes to the Main Estimate (*continued*)

Changes in Accounting Policies

1. Modified Historic Cost Accounting

From 1 April 2008 the Department has ceased to apply the modified historic cost accounting convention to fixed assets. This affects the following categories of assets:

- IT equipment
- Plant and equipment
- Office machinery and equipment
- Furniture, fixtures and fittings

From 2008/09 these assets will therefore be accounted for on a depreciated historical cost basis.

2. Fixed asset capitalisation threshold

The historic accounting policy for IT hardware was to capitalise all expenditure and to depreciate the asset over a period of 3 to 10 years.

From 1 April 2008, a threshold for capitalising expenditure on IT hardware of £1,000 has been introduced, and the assets will be depreciated over a 3 year period.

Notes to the Main Estimate (*continued*)

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|--|------------------|
| RfR1-G | Advisory, Conciliation and Arbitration Service ♥ | 44,637 |
| RfR1-A | the National Association of Citizen's Advice Bureaux ♥ | 21,470 |
| RfR1-A | Citizen's Advice Scotland ♥ | 3,018 |
| RfR1-P | the National Consumer Council ♥ | 3,775 |
| RfR1-Q | Energy Watch ♥ | 10,642 |
| RfR1-P | Postwatch ♥ | 8,421 |
| RfR1-R | Capital for Enterprise ♥ | 2,545 |
| RfR1-P | the Competition Service ♥ | 4,283 |
| RfR1-P | the Competition Commission ♥ | 21,399 |
| RfR1-U | the Coal Authority ♥ | 37,337 |
| RfR1-S | the Regional Development Agencies ♥ | 1,778,837 |
| RfR1-U | the United Kingdom Atomic Energy Authority ♥ | 7,667 |
| RfR1- U | the Nuclear Decommissioning Authority ♥ | 2,663,230 |
| RfR1-T | the Local Better Regulation Office ♥ | 4,400 |
| RfR1- V | the Civil Nuclear Police Authority ♥ | 3,000 |
| | Total | 4,614,661 |

Notes to the Main Estimate (*continued*)**International Subscriptions**

| RfR/Section | Body | £'000 |
|--------------------|--|--------------|
| RfR1- A3 | World Trade Organisation | 4,878 |
| RfR1- J3 | International Atomic Energy Agency | 15,669 |
| RfR1- J3 | Organisation for the Prohibition of Chemical Weapons | 4,332 |

UK Trade & Investment

Introduction

1. This Estimate covers programme expenditure for the purpose of trade development and promotion and inward investment, including grants to the Regional Development Agencies (RDAs). The work of UK Trade & Investment is reported in its own departmental report as well as the departmental reports of the Department for Business, Enterprise & Regulatory Reform and the Foreign and Commonwealth Office.
2. UK Trade & Investment is a joint operation of the Foreign & Commonwealth Office and the Department for Business, Enterprise & Regulatory Reform. The administrative costs relating to this programme expenditure are reflected in the Main Estimates of those departments.
3. An analysis of Appropriations in Aid of this Request for Resources and related income for 2008-09 is included in this Main Estimate and shows comparison with the two prior years.
4. Symbols are explained in the Introduction to this booklet.

UK Trade & Investment

Part I

£

| | |
|--|-------------------|
| Request for Resources 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment | 91,526,000 |
| Total net resource requirement | 91,526,000 |
| Net cash requirement | 92,266,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the UK Trade & Investment on:

RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment

Trade development and promotion and inward investment, including grants to the Regional Development Agencies (RDAs), associated capital and other related expenditure and associated non-cash items.

UK Trade & Investment will account for this Estimate.

£

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-------------------|---------------------------------|------------------------|
| RfR 1 | 91,526,000 | 49,130,000 | 42,396,000 |
| Total net resource requirement | 91,526,000 | 49,130,000 | 42,396,000 |
| Net cash requirement | 92,266,000 | 49,691,000 | 42,575,000 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|--|---|--------|-------------|--------|-----------|------------------------------|----------------------|------------------------|------------------------|-------|--|
| 2008-09 Provision | | | | | | | 2007-08 Provision | 2006-07 Outturn | | | |
| Resources | | | | | | Capital Non- operating | | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment | | | | | | | | | | | |
| - | 78,431 | 16,810 | 95,241 | 3,715 | 91,526 | 248 | - | 90,656 | 98,005 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Trade development and promotion and inward investment | | | | | | | | | | |
| - | 78,410 | 16,810 | 95,220 | 3,715 | 91,505 | 248 | - | 90,635 | 97,991 | | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| B | Trade development and promotion and inward investment | | | | | | | | | | |
| - | 21 | - | 21 | - | 21 | - | - | 21 | 14 | | |
| Total for Estimate: | | | | | | | | | | | |
| - | 78,431 | 16,810 | 95,241 | 3,715 | 91,526 | 248 | - | 90,656 | 98,005 | | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 91,526 | 90,656 | 98,005 |
| Voted capital items | | | |
| Capital | 248 | 248 | 176 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 248 | 248 | 176 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | 79 | 79 | 57 |
| Depreciation | -187 | -187 | -175 |
| New provisions and adjustments to previous provisions | - | - | - |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | - |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | 600 | 9,767 | 11 |
| Use of provisions | - | - | - |
| Total accruals to cash adjustments | 492 | 9,659 | -107 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 92,266 | 100,563 | 98,074 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | - | - |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | 3 | 3 |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | - | - | 3 | 3 |

Forecast Operating Cost Statement

| | £'000 | | |
|----------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Programme Costs | | | |
| RfR 1 | 91,526 | 90,656 | 98,005 |
| Total Net Programme costs | 91,526 | 90,656 | 98,005 |
| Total Net Operating Cost | 91,526 | 90,656 | 98,005 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 91,526 | 90,656 | 98,005 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 91,526 | 90,656 | 98,005 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 91,526 | 90,656 | 98,005 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 91,526 | 90,656 | 98,005 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 91,526 | 90,656 | 98,005 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 91,505 | 90,635 | 97,991 |
| Annually Managed Expenditure (AME) | 21 | 21 | 14 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 248 | 248 | 176 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 248 | 248 | 176 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 248 | 248 | 176 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Andrew Cahn, Chief Executive of UK Trade & Investment

Andrew Cahn as the Accounting Officer of UK Trade & Investment has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of UK Trade & Investment.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment | | | |
| Programme | 3,715 | 4,232 | 2,582 |
| <i>of which:</i> | | | |
| Sale of goods and services | 3,715 | 4,232 | 2,582 |
| Total RfR 1 | 3,715† | 4,232 | 2,582 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income relating to the provision of trade development services; asset sales; insurance claims; recovery of costs incurred on behalf of others; recovery of overpayments.</i> | | | |
| Total Operating A in A | 3,715 | 4,232 | 2,582 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|-----------|----------|-----------|----------|----------|----------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Other amounts collectable on behalf of the Consolidated Fund ● | - | - | - | - | 3 | 3 |
| Total | - | - | - | - | 3 | 3 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|--------|-----------|--------|
| | Voted | Non-voted | Total |
| Resource DEL | 91,505 | - | 91,505 |
| <i>of which: †</i> | | | |
| Administration budget | - | - | - |
| Near-cash in RDEL | 91,418 | - | 91,418 |
| Capital DEL †† | 248 | - | 248 |
| Less Depreciation ††† | -166 | - | -166 |
| Total DEL | 91,587 | - | 91,587 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £91,526,000 is 1.0 per cent higher than the final net provision for 2007-08 of £90,656,000 and 3.6 per cent higher than the forecast outturn for 2007-08 of £88,320,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 3,715 | 4,232 | 2,582 |

Department for Business, Enterprise and Regulatory Reform: UKAEA pension schemes

Introduction

1. This Request for Resources covers the provision of pensions and lump sums to retired members or their dependants, transfer values for members transferring to other schemes and repayments of contributions under the UKAEA pension schemes.

2. There are three schemes: the Combined Scheme (CPS), the Principal Non-industrial superannuation scheme (PNISS), and the Protected Persons superannuation scheme (PPSS). The schemes cover employees of the UKAEA, British Nuclear Fuels plc and the Civil Nuclear Police Authority and some employees of the Health Protection Agency, the Engineering and Physical Sciences Research Council, the Science and Technology Facilities Council, and former UKAEA employees who transferred to the Ministry of Defence Atomic Weapons Establishment (AWE). The PNISS and PPSS are closed to new entrants.

3. The income consists of contributions from employers and employees, and transfer values in respect of staff joining from other schemes. Income is appropriated in aid.

4. Assumptions for 2008-09 compared to 2007-08 are

| | 2008-09 | | | 2007-08 | | |
|------------|------------------------|---------------|---------------|------------------------|---------------|---------------|
| | Average pension | | | Average pension | | |
| | Number | Annual | Weekly | Number | Annual | Weekly |
| Pensioners | 15,985 | 8,908 | 171.30 | 17,102 | 8,573 | 164.87 |
| Dependents | 6,208 | 3,938 | 75.74 | 6,716 | 3,791 | 72.90 |

5. Associated administrative costs are borne by the UKAEA who recover the appropriate proportion from the other participating employers.

6. Symbols are explained in the Introduction to this booklet.

Department for Business, Enterprise and Regulatory Reform: UKAEA pension schemes

Part I

| | £ |
|---|--------------------|
| Request for Resources 1: Effective management of UKAEA pension schemes | 267,343,000 |
| Total net resource requirement | 267,343,000 |
| Net cash requirement | 112,000,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Department for Business, Enterprise and Regulatory Reform: UKAEA pension schemes on:

RfR 1: Effective management of UKAEA pension schemes

Payment of pensions etc., to members of the United Kingdom Atomic Energy Authority pension schemes, related expenditure and associated non-cash items.

The **Department for Business, Enterprise and Regulatory Reform: UKAEA pension schemes** will account for this Estimate.

| | £ | | |
|---------------------------------------|--------------------|---------------------------------|------------------------|
| | Net total | Allocated in Vote on Account | Balance to complete |
| RfR 1 | 267,343,000 | 129,997,000 | 137,346,000 |
| Total net resource requirement | 267,343,000 | 129,997,000 | 137,346,000 |
| Net cash requirement | 112,000,000 | 30,705,000 | 81,295,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|---------------|---------|-------------|--------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non-operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Effective management of UKAEA pension schemes | | | | | | | | | |
| - | - | 332,343 | 332,343 | 65,000 | 267,343 | - | - | 288,884 | 245,557 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Payments of pensions, transfer values and repayments of contributions | | | | | | | | | |
| - | - | 332,343 | 332,343 | 65,000 | 267,343 | - | - | 288,884 | 245,557 |
| Total for Estimate: | | | | | | | | | |
| - | - | 332,343 | 332,343 | 65,000 | 267,343 | - | - | 288,884 | 245,557 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 267,343 | 288,884 | 245,557 |
| Voted capital items | | | |
| Capital | - | - | - |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | - | - | - |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | - | - | - |
| Depreciation | - | - | - |
| New provisions and adjustments to previous provisions | -332,343 | -390,060 | -338,878 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | -48 |
| Increase (+) / Decrease (-) in stock | - | - | -1,669 |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | - | - |
| Use of provisions | 177,000 | 169,412 | 164,404 |
| Total accruals to cash adjustments | -155,343 | -220,648 | -176,191 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 112,000 | 68,236 | 69,366 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|-----------------|----------------|---------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | 7,024 | <i>1,013</i> |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | - | - | 7,024 | <i>1,013</i> |

Forecast Combined Revenue Account

| | £'000 | | |
|----------------------------------|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Programme Costs | | | |
| RfR 1 | 267,343 | 288,884 | 238,533 |
| <i>of which:</i> | | | |
| Income | | | |
| Contributions received | 59,341 | 93,287 | 90,887 |
| Transfers in | 5,659 | 7,889 | 9,506 |
| Other income receivable | - | - | - |
| Total Income | 65,000 | 101,176 | 100,393 |
| Expenditure | | | |
| Increase in liability | 77,396 | 152,024 | 113,538 |
| Interest on scheme liability | 254,947 | 238,036 | 225,340 |
| Other expenditure | - | - | - |
| Total Expenditure | 332,343 | 390,060 | 338,878 |
| Total Net Programme costs | 267,343 | 288,884 | 238,533 |
| Total Net Operating Cost | 267,343 | 288,884 | 238,533 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 267,343 | 288,884 | 245,557 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | -7,024 |
| Resource Budget | 267,343 | 288,884 | 238,533 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 267,343 | 288,884 | 245,557 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | -7,024 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 267,343 | 288,884 | 238,533 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 267,343 | 288,884 | 238,533 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | 267,343 | 288,884 | 238,533 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | - | - | - |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Sir Brian Bender, Permanent Head of the Department

Sir Brian Bender as the Accounting Officer of the Department for Business, Enterprise and Regulatory Reform: UKAEA pension schemes has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Business, Enterprise and Regulatory Reform: UKAEA pension schemes.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Effective management of UKAEA pension schemes | | | |
| Programme | 65,000 | 101,176 | 93,369 |
| <i>of which:</i> | | | |
| Pension scheme related income | 65,000 | 101,176 | 93,369 |
| Total RfR 1 | 65,000† | 101,176 | 93,369 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts of employers' and employees' contributions and inward transfers.</i> | | | |
| Total Operating A in A | 65,000 | 101,176 | 93,369 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|-----------------|-----------|----------|-----------|----------|--------------|--------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Excess A in A Δ | | | | | 7,024 | 1,013 |
| Total | - | - | - | - | 7,024 | 1,013 |

Notes to the Main Estimate (*continued*)

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £267,343,000 is 7.5 per cent lower than the final net provision for 2007-08 of £288,884,000 and 7.5 per cent lower than the forecast outturn for 2007-08 of £288,883,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 65,000 | 101,176 | 93,369 |

Export Credits Guarantee Department

Introduction

1. This Estimate covers the request for resources to fund the Export Credits Guarantee Department's facilitation of UK exports through the provision of interest support, export credit guarantees and investment insurance.
2. Export Finance Assistance (RFR1) comprises interest support to banks and other lenders of export finance and grants towards financing of exports to match that available to foreign competition.
3. The RFR1 requirement reflects the way in which income is classified rather than actual "Resource" consumption, as the request includes a capital charge in respect of voted loans to Guaranteed Export Finance Corporation plc (GEFCO), but excludes the interest income in respect of the same loans, which are classified as "Consolidated Fund Extra Receipts".
4. Trading Operations (RFR2) anticipates that ECGD's Credit Insurance activities, which include all administration expenses, will generate net income (after capital charges). Therefore "Resource" consumption will be nil and only a token £1,000 (the minimum possible) has been included.
5. Symbols are explained in the Introduction to this booklet.

Export Credits Guarantee Department

Part I

| | £ |
|---|-------------------|
| Request for Resources 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports | 42,904,000 |
| Request for Resources 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports | 1,000 |
| Total net resource requirement | 42,905,000 |
| Net cash requirement | 1,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Export Credits Guarantee Department on:

RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports

Interest support to banks and other lenders of export finance and the funding of the refinancing programme.

RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports

Export credit guarantees given in the national interest or to render economic assistance to overseas countries, overseas investment insurance, residual commitments under discontinued facilities, the cost escalation scheme subvention for the active management of the portfolio, and on associated non-cash items.

The **Export Credits Guarantee Department** will account for this Estimate.

| | £ | | |
|---------------------------------------|-------------------|---------------------------------|------------------------|
| | Net total | Allocated in Vote on Account | Balance to complete |
| RfR 1 | 42,904,000 | 31,095,000 | 11,809,000 |
| RfR 2 | 1,000 | - | 1,000 |
| Total net resource requirement | 42,905,000 | 31,095,000 | 11,810,000 |
| Net cash requirement | 1,000 | - | 1,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|---------------------------------------|--------|-------------|---------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports | | | | | | | | | |
| - | 31,616 | 38,944 | 70,560 | 27,656 | 42,904 | - | - | 69,102 | 71,642 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Fixed Rate Export Finance | | | | | | | | |
| - | 14,814 | - | 14,814 | 8,916 | 5,898 | - | - | 19,694 | 5,961 |
| Non-Budget | | | | | | | | | |
| B | GEFCO loans and interest equalisation | | | | | | | | |
| - | 16,802 | 38,944 | 55,746 | 18,740 | 37,006 | - | - | 49,408 | 65,681 |
| RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports | | | | | | | | | |
| 43,963 | 45,910 | 38,100 | 127,973 | 127,972 | 1 | 542 | - | 2 | 1 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Administration | | | | | | | | |
| 43,963 | - | - | 43,963 | 2,052 | 41,911 | 542 | - | 26,720 | 20,679 |
| Non-Budget | | | | | | | | | |
| B | Export Credits | | | | | | | | |
| - | 45,910 | 38,100 | 84,010 | 125,920 | -41,910 | - | - | -25,719 | -19,447 |
| <i>Overseas Investment Insurance</i> | | | | | | | | | |
| - | - | - | - | - | - | - | - | -1,000 | -1,231 |
| <i>APM</i> | | | | | | | | | |
| - | - | - | - | - | - | - | - | 1 | - |
| Total for Estimate: | | | | | | | | | |
| 43,963 | 77,526 | 77,044 | 198,533 | 155,628 | 42,905 | 542 | - | 69,104 | 71,643 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 42,905 | 69,104 | 71,643 |
| Voted capital items | | | |
| Capital | 542 | 481 | 123 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 542 | 481 | 123 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -70,905 | -45,440 | -60,301 |
| Depreciation | -9,046 | -16,500 | -369 |
| New provisions and adjustments to previous provisions | -44,522 | 15,999 | - |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | -13,210 | -200 | -47,717 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | -123,030 | -183,530 | -993,989 |
| Increase (-) / Decrease (+) in creditors | 37,705 | 69,416 | -4,266 |
| Use of provisions | - | - | - |
| Total accruals to cash adjustments | -223,008 | -160,255 | -1,106,642 |
| Excess cash to be CFERd | 179,562 | 90,672 | 1,034,877 |
| Net Cash Requirement | 1 | 2 | 1 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------------------|------------------------|------------------------------|------------------------|----------------------------|-------------------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | 83,920 | <i>37,006</i> | 308,029 | <i>94,471</i> | 468,502 | <i>502,634</i> |
| Non-operating income not classified as A in A | 223,689 | <i>223,689</i> | 267,818 | <i>267,818</i> | 477,343 | <i>477,343</i> |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | <i>179,562</i> | - | <i>90,672</i> | - | <i>1,034,877</i> |
| Total | 307,609 | <i>440,257</i> | 575,847 | <i>452,961</i> | 945,845 | <i>2,014,854</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | - | - | - |
| RfR 2 | 41,911 | 26,720 | 20,679 |
| Total Net Administration costs | 41,911 | 26,720 | 20,679 |
| Net Programme Costs | | | |
| RfR 1 | 42,904 | 69,102 | 71,642 |
| RfR 2 | -41,910 | -26,718 | -20,678 |
| Non-voted | -83,920 | -308,029 | -468,502 |
| Total Net Programme costs | -82,926 | -265,645 | -417,538 |
| Total Net Operating Cost | -41,015 | -238,925 | -396,859 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 42,905 | 69,104 | 71,643 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | -83,920 | -308,029 | -468,502 |
| Resource Budget | 47,809 | 46,414 | 26,640 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 42,905 | 69,104 | 71,643 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | -83,920 | -308,029 | -468,502 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | -41,015 | -238,925 | -396,859 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | 4,904 | -22,690 | -45,003 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | 83,920 | 308,029 | 468,502 |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 47,809 | 46,414 | 26,640 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 41,911 | 26,720 | 20,679 |
| Annually Managed Expenditure (AME) | 5,898 | 19,694 | 5,961 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 542 | 481 | 123 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | -223,689 | -267,818 | -477,343 |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | -223,147 | -267,337 | -477,220 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 542 | 481 | 123 |
| Annually Managed Expenditure (AME) | -223,689 | -267,818 | -477,343 |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

Request for Resources 1: Patrick Crawford, Chief Executive of ECGD

Request for Resources 2: Patrick Crawford, Chief Executive of ECGD

Patrick Crawford as the Accounting Officer of the Export Credits Guarantee Department has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Export Credits Guarantee Department.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports | | | |
| Programme | 27,656 | 51,022 | 31,170 |
| <i>of which:</i> | | | |
| Interest and dividends | 27,656 | 51,022 | 31,170 |
| Total RfR 1 | 27,656† | 51,022 | 31,170 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income from interest make-up receipts.</i> | | | |
| RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports | | | |
| Administration | 2,052 | 560 | 5,428 |
| <i>of which:</i> | | | |
| Sale of goods and services | 2,052 | 560 | 5,428 |
| Programme | 125,920 | 26,719 | 68,195 |
| <i>of which:</i> | | | |
| Sale of goods and services | 60,720 | 26,719 | 56,083 |
| Interest and dividends | 65,200 | - | 12,112 |
| Total RfR 2 | 127,972† | 27,279 | 73,623 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: premium and moratorium interest.</i> | | | |
| Total Operating A in A | 155,628 | 78,301 | 104,793 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Premium income, moratorium interest, movement in provisions ● | 50,535 | 3,621 | 249,779 | 36,221 | 388,392 | 400,496 |
| Loan repayments (principal) Δ | 223,689 | 223,689 | 267,818 | 267,818 | 477,343 | 477,343 |
| Loan repayments (interest) ● | 33,385 | 33,385 | 58,250 | 58,250 | 80,110 | 102,138 |
| Excess cash receipts to be surrendered to the Consolidated Fund ● | | 179,562 | | 90,672 | | 1,034,877 |
| Total | 307,609 | 440,257 | 575,847 | 452,961 | 945,845 | 2,014,854 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|--------|-----------|--------|
| | Voted | Non-voted | Total |
| Resource DEL | 41,911 | - | 41,911 |
| <i>of which: †</i> | | | |
| Administration budget | 41,911 | - | 41,911 |
| Near-cash in RDEL | 27,182 | - | 27,182 |
| Capital DEL †† | 542 | - | 542 |
| Less Depreciation ††† | -466 | - | -466 |
| Total DEL | 41,987 | - | 41,987 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £42,905,000 is 37.9 per cent lower than the final net provision for 2007-08 of £69,104,000 and 37.9 per cent lower than the forecast outturn for 2007-08 of £69,103,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 155,628 | 78,301 | 104,793 |

Notes to the Main Estimate (*continued*)

Changes in Accounting Policies

Under 'FRS 26 Financial Instruments', Credit Default Swaps are no longer held at amortised cost but are valued on a mark-to-market basis, with movements in market valuation reflected through the Operating Costs Statement.

Office of Fair Trading

Introduction

1. The Office of Fair Trading (OFT) is an independent consumer protection and competition authority. Its goal is to make markets work for consumers. This is achieved by enforcing competition and consumer protection law, investigating markets and through an active communications strategy.
2. The main change in the 2008-09 Main Estimate is that income relating to OFT's consumer protection monitoring and licensing responsibilities, which was previously surrendered to the Consolidated Fund, is now treated as operating appropriations-in-aid.
3. Further details of the department's expenditure can be found in the OFT Annual Report.
4. Symbols are explained in the Introduction to this booklet.

Office of Fair Trading

Part I

| | £ |
|---|-------------------|
| Request for Resources 1: Advancing and safeguarding the economic interests of UK consumers | 67,702,000 |
| Total net resource requirement | 67,702,000 |
| Net cash requirement | 66,393,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Office of Fair Trading on:

RfR 1: Advancing and safeguarding the economic interests of UK consumers

Administrative and operational costs and associated non-cash items.

The **Office of Fair Trading** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-------------------|------------------------------------|------------------------|
| RfR 1 | 67,702,000 | 34,197,000 | 33,505,000 |
| Total net resource requirement | 67,702,000 | 34,197,000 | 33,505,000 |
| Net cash requirement | 66,393,000 | 33,523,000 | 32,870,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | | 2007-08 Provision | 2006-07 Outturn | |
|---|------------------|--------|-------------|--------|-----------|---------|----------------------|--------------------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Advancing and safeguarding the economic interests of UK consumers | | | | | | | | | |
| 77,216 | 1,961 | - | 79,177 | 11,475 | 67,702 | 1,364 | - | 75,994 | 74,525 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Administration | | | | | | | | | |
| 77,216 | 1,961 | - | 79,177 | 11,475 | 67,702 | 1,364 | - | 75,994 | 74,525 |
| Total for Estimate: | | | | | | | | | |
| 77,216 | 1,961 | - | 79,177 | 11,475 | 67,702 | 1,364 | - | 75,994 | 74,525 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 67,702 | 75,994 | 74,525 |
| Voted capital items | | | |
| Capital | 1,364 | 1,398 | 2,444 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 1,364 | 1,398 | 2,444 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -424 | -303 | -16 |
| Depreciation | -2,194 | -2,549 | -1,871 |
| New provisions and adjustments to previous provisions | - | -139 | -249 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | -55 | - | -48 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | -2,166 |
| Increase (-) / Decrease (+) in creditors | - | - | 578 |
| Use of provisions | - | 95 | 508 |
| Total accruals to cash adjustments | -2,673 | -2,896 | -3,264 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 66,393 | 74,496 | 73,705 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|------------------------|------------------|------------------------|----------------|------------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | 42,217 | 40,947 |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | 7,000 | 7,000 | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | 7,000 | 7,000 | 42,217 | 40,947 |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 65,741 | 73,944 | 72,507 |
| Total Net Administration costs | 65,741 | 73,944 | 72,507 |
| Net Programme Costs | | | |
| RfR 1 | 1,961 | 2,050 | 2,018 |
| Non-voted | - | - | -42,217 |
| Total Net Programme costs | 1,961 | 2,050 | -40,199 |
| Total Net Operating Cost | 67,702 | 75,994 | 32,308 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 67,702 | 75,994 | 74,525 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | -42,217 |
| Resource Budget | 67,702 | 75,994 | 74,525 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 67,702 | 75,994 | 74,525 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | -42,217 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 67,702 | 75,994 | 32,308 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | 42,217 |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 67,702 | 75,994 | 74,525 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 67,702 | 75,994 | 74,525 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 1,364 | 1,398 | 2,444 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 1,364 | 1,398 | 2,444 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1,364 | 1,398 | 2,444 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: John Fingleton, CEO of OFT

John Fingleton as the Accounting Officer of the Office of Fair Trading has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office of Fair Trading.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Advancing and safeguarding the economic interests of UK consumers | | | |
| Administration | 11,475 | - | - |
| <i>of which:</i> | | | |
| Sale of goods and services | 11,475 | - | - |
| Total RfR 1 | 11,475† | - | - |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of legal costs, fees for common services provided to other departments and Competition Act fees.</i> | | | |
| Total Operating A in A | 11,475 | - | - |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Fees for the administration of the Consumer Credit Act ● | - | - | - | - | 5,795 | 5,795 |
| Fees charged for mergers under the Fair Trading Act 1973 and Enterprise Act 2002● | - | - | - | - | 2,790 | 2,790 |
| Penalties imposed under the Competition Act 1998● | - | - | - | - | 33,478 | 32,208 |
| Reimbursements● | - | - | - | - | 154 | 154 |
| Fines and Penalties● | - | - | 7,000 | 7,000 | - | - |
| Total | - | - | 7,000 | 7,000 | 42,217 | 40,947 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|---------------|------------------|---------------|
| | Voted | Non-voted | Total |
| Resource DEL | 67,702 | - | 67,702 |
| <i>of which: †</i> | | | |
| Administration budget | 65,741 | - | 65,741 |
| Near-cash in RDEL | 65,029 | - | 65,029 |
| Capital DEL †† | 1,364 | - | 1,364 |
| Less Depreciation ††† | -2,194 | - | -2,194 |
| Total DEL | 66,872 | - | 66,872 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £67,702,000 is 10.9 per cent lower than the final net provision for 2007-08 of £75,994,000 and 7.4 per cent lower than the forecast outturn for 2007-08 of £73,097,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 11,475 | - | - |

Office of Gas and Electricity Markets

Introduction

1. This Estimate covers the resource and cash expenditure of the Office of Gas and Electricity Markets.
2. The Office of Gas and Electricity Markets (OFGEM) comprises the Gas and Electricity Markets Authority and was set up in December 2000 under the provisions of the Utilities Act 2000. OFGEM's principal aim is to protect the interests of consumers, wherever appropriate by promoting effective competition.
3. Further details of the expenditure contained in this Estimate can be found in the Department of Business, Enterprise and Regulatory Reform's (BERR) Departmental report.
4. Monies collected on behalf of the Secretary of State, either on behalf of energywatch or in respect of the Secretary of State's own costs are shown as payments to BERR.
5. Central expenditure is offset mainly by income from licence fees recovered from the gas and electricity industries.
6. Symbols are explained in the Introduction to this booklet.

Office of Gas and Electricity Markets

Part I

| | £ |
|--|------------------|
| Request for Resources 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.† | 701,000 |
| Total net resource requirement | 701,000 |
| Net cash requirement | 1,556,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Office of Gas and Electricity Markets on:

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.

Administrative and operational costs, payments to BERR, co-operation with international regulators, administration of energy efficiency, offshore transmission and other environmental schemes and associated non-cash items.

The **Office of Gas and Electricity Markets** will account for this Estimate.

| | Net total | Allocated in Vote on Account† | Balance to complete |
|---------------------------------------|------------------|--|--------------------------------|
| RfR 1 | 701,000 | 315,000 | 386,000 |
| Total net resource requirement | 701,000 | 315,000 | 386,000 |
| Net cash requirement | 1,556,000 | 831,000 | 725,000 |

† In the Vote on Account £315,000 was included against RfR2 described as " Expenditure in connection with environmental programmes ". There was no provision in the Vote on Account against RfR1 which was then entitled " Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry ". RfR2 has been removed in the Main Estimate and the provision has been reallocated to the renamed RfR1.

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|---|--------|-------------|--------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes. | | | | | | | | | |
| 40,686 | - | - | 40,686 | 39,985 | 701 | 1,000 | 50 | 703 | 646 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Gas and Electricity Markets Authority: Administration | | | | | | | | |
| 37,786 | - | - | 37,786 | 37,785 | 1 | 1,000 | 50 | 3 | 1 |
| B | Climate Change Levy & Renewable Energy Guarantees of Origin: Administration | | | | | | | | |
| 700 | - | - | 700 | - | 700 | - | - | 700 | 645 |
| C | Energy Efficiency and Other Environmental Schemes: Administration | | | | | | | | |
| 1,700 | - | - | 1,700 | 1,700 | - | - | - | - | - |
| D | Offshore Transmission Tender : Administration | | | | | | | | |
| 500 | - | - | 500 | 500 | - | - | - | - | - |
| Total for Estimate: | | | | | | | | | |
| 40,686 | - | - | 40,686 | 39,985 | 701 | 1,000 | 50 | 703 | 646 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 701 | 703 | 646 |
| Voted capital items | | | |
| Capital | 1,000 | 1,000 | 759 |
| Less Non-operating A-in-A | 50 | 50 | 4 |
| Total net voted capital | 950 | 950 | 755 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | 250 | 255 | 204 |
| Depreciation | -1,000 | -1,000 | -853 |
| New provisions and adjustments to previous provisions | - | -5 | -697 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | -45 | -45 | -44 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | - | 4,415 |
| Use of provisions | 700 | 991 | 495 |
| Total accruals to cash adjustments | -95 | 196 | 3,520 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 1,556 | 1,849 | 4,921 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 701 | 703 | 646 |
| Total Net Administration costs | 701 | 703 | 646 |
| Total Net Operating Cost | 701 | 703 | 646 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 701 | 703 | 646 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 701 | 703 | 646 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 701 | 703 | 646 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 701 | 703 | 646 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 701 | 703 | 646 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 701 | 703 | 646 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 950 | 950 | 755 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 950 | 950 | 755 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 950 | 950 | 755 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Alistair Buchanan, Chief Executive of OFGEM

Alistair Buchanan as the Accounting Officer of the Office of Gas and Electricity Markets has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office of Gas and Electricity Markets.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes. | | | |
| Administration | 39,985 | 39,483 | 38,807 |
| <i>of which:</i> | | | |
| Sale of goods and services | - | 96 | 4,024 |
| Regulatory licences, fines, penalties and taxes | 39,985 | 39,387 | 34,783 |
| Programme | - | - | 55 |
| <i>of which:</i> | | | |
| Regulatory licences, fines, penalties and taxes | - | - | 55 |
| Total RfR 1 | 39,985† | 39,483 | 38,862 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: regulation of monopolies and promoting competition. Includes gas and electricity licence fees; recovery of costs for administering the Offshore Transmission tender and the Fossil Fuel Levy; income from fees and charges levied under the Gas Act 1986 and the Electricity Act 1989, as amended by the Utilities Act 2000; receipts in respect of letting, disposal, vacation or occupation of property or accommodation; income from services to other government organisations and any other cost recovery receipts.</i> | | | |
| Total Operating A in A | 39,985 | 39,483 | 38,862 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes. | | | |
| Administration | 50 | 50 | 4 |
| <i>of which:</i> | | | |
| Sale of assets | 50 | 50 | 4 |
| Total RfR 1 | 50† | 50 | 4 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of capital assets.</i> | | | |
| Total Non-Operating A in A | 50 | 50 | 4 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|--------|-----------|--------|
| | Voted | Non-voted | Total |
| Resource DEL | 701 | - | 701 |
| <i>of which: †</i> | | | |
| Administration budget | 701 | - | 701 |
| Near-cash in RDEL | -94 | 700 | 606 |
| Capital DEL †† | 950 | - | 950 |
| Less Depreciation ††† | -1,000 | - | -1,000 |
| Total DEL | 651 | - | 651 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £701,000 is 0.3 per cent lower than the final net provision for 2007-08 of £703,000 and the forecast outturn for 2007-08 of £703,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 40,035 | 39,533 | 38,866 |

Postal Services Commission

Introduction

1. The Postal Services Commission (Postcomm) was established as a non- Ministerial Government Department on 6 December 2000 under the Postal Services Act 2000.
2. The token net provision reflects the fact that receipts from licences are appropriated in aid rather than surrendered directly to the Consolidated Fund.
3. Symbols are explained in the Introduction to this booklet.

Postal Services Commission

Part I

| | £ |
|--|--------------|
| Request for Resources 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition | 1,000 |
| Total net resource requirement | 1,000 |
| Net cash requirement | 1,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Postal Services Commission on:

RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition

Administrative and operational costs and associated non-cash items.

The **Postal Services Commission** will account for this Estimate.

| | £ | | |
|---------------------------------------|--------------|---------------------------------|------------------------|
| | Net total | Allocated in Vote on Account | Balance to complete |
| RfR 1 | 1,000 | - | 1,000 |
| Total net resource requirement | 1,000 | - | 1,000 |
| Net cash requirement | 1,000 | - | 1,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|--|---|--------|-------------|--------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RFR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition | | | | | | | | | |
| 10,037 | - | - | 10,037 | 10,036 | 1 | 150 | - | 1 | 1 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Ensuring the provision of a universal postal service at a uniform tariff protecting consumers and promoting competition | | | | | | | | |
| 10,037 | - | - | 10,037 | 10,036 | 1 | 150 | - | 1 | 1 |
| Total for Estimate: | | | | | | | | | |
| 10,037 | - | - | 10,037 | 10,036 | 1 | 150 | - | 1 | 1 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 1 | 1 | 1 |
| Voted capital items | | | |
| Capital | 150 | 460 | 152 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 150 | 460 | 152 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -10 | -15 | 26 |
| Depreciation | -530 | -772 | -614 |
| New provisions and adjustments to previous provisions | - | -40 | 76 |
| Profit/loss on sale of assets | - | - | -2 |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | -40 | -36 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | -137 |
| Increase (-) / Decrease (+) in creditors | - | 1,924 | -1,380 |
| Use of provisions | - | - | 226 |
| Total accruals to cash adjustments | -540 | 1,057 | -1,841 |
| Excess cash to be CFERd | 390 | - | 1,688 |
| Net Cash Requirement | 1 | 1,518 | - |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | - | - |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | <i>390</i> | - | - | - | <i>1,688</i> |
| Total | - | <i>390</i> | - | - | - | <i>1,688</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 1 | 1 | 1 |
| Total Net Administration costs | 1 | 1 | 1 |
| Total Net Operating Cost | 1 | 1 | 1 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 1 | 1 | 1 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 1 | 1 | -1 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 1 | 1 | 1 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 1 | 1 | 1 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -2 |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 1 | 1 | -1 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1 | 1 | -1 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 150 | 460 | 152 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 150 | 460 | 152 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 150 | 460 | 152 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Sarah Chambers, Chief Executive of the Commission

Sarah Chambers as the Accounting Officer of the Postal Services Commission has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Postal Services Commission.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition | | | |
| Administration | 10,036 | 9,967 | 8,762 |
| <i>of which:</i> | | | |
| Regulatory licences, fines, penalties and taxes | 10,036 | 9,967 | 8,762 |
| Total RfR 1 | 10,036† | 9,967 | 8,762 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from postal operators.</i> | | | |
| Total Operating A in A | 10,036 | 9,967 | 8,762 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--------------|-----------|------------|-----------|----------|---------|--------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | Receipts | Provision | Receipts | Outturn | |
| | Income | | Income | | Income | Receipts |
| Excess Cash● | - | 390 | - | - | - | 1,688 |
| Total | - | 390 | - | - | - | 1,688 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|-------|-----------|-------|
| | Voted | Non-voted | Total |
| Resource DEL | 1 | - | 1 |
| <i>of which:†</i> | | | |
| Administration budget | 1 | - | 1 |
| Near-cash in RDEL | -539 | - | -539 |
| Capital DEL†† | 150 | - | 150 |
| Less Depreciation††† | -530 | - | -530 |
| Total DEL | -379 | - | -379 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £1,000 is the same as the final net provision for 2007-08 of £1,000 and the forecast outturn for 2007-08 of £1,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 10,036 | 9,967 | 8,762 |

Department for Environment, Food and Rural Affairs

Introduction

1. This estimate is based on two Requests for Resources (RfR). RfR1 provides for the costs of Defra and its Executive Agencies. RfR2 provides for the Forestry Commission in England (including Forest Enterprise England) and its Great Britain wide functions (including the executive agency Forest Research), who are for the first time this year provided for within the Defra Estimate.
2. RfR1 is based on the Department's four key areas of expenditure plus six further sections covering central service administration costs, the Rural Payments Agency (sub-divided between EC funded schemes, running costs and other costs), the Department's other Executive Agencies and Area Based Grants to Local Authorities. RfR1 shows Departmental Expenditure Limits (DEL), Annually Managed Expenditure (AME) and non-budget groupings and differentiates between central government's own expenditure and central government support to local authorities.
3. RfR1 includes the Department's capital grant expenditure, administration costs, costs of executive agencies, grant in aid to Non-Departmental Public Bodies and subsidies to Public Corporations, research and development, payments to agencies, as well as reimbursable costs and some offsetting EU receipts.
4. DEFRA has nine executive agencies - the Central Science Laboratory (CSL), the Veterinary Laboratories Agency (VLA), the Veterinary Medicines Directorate (VMD), the Centre for Environment, Fisheries and Aquaculture Science (CEFAS), Pesticides Safety Directorate (PSD), Rural Payments Agency (RPA), Animal Health (AH), Government Decontamination Service (GDS) and the Marine and Fisheries Agency (MFA).
5. RfR2 provides for the net funding for the Forestry Commission's activities in England and those functions which it carries out on a GB-wide basis.
6. The Forestry Commission is responsible for forestry throughout Great Britain with statutory duties and powers which it exercises separately in England, Scotland and Wales. It represents the United Kingdom's forestry interests internationally within the European Union and beyond. The Commission advises Ministers and implements each country's separate and distinct forestry policy. The financing of its GB-wide functions cover sustainable forestry policy, forestry standards, international relations, plant health and forestry research. Its activities in relation to England cover the promotion of forestry and supporting the planting, management and conservation of forests and woodlands. This includes the operation of the Commission's estate by its agency, Forest Enterprise England. Also included within RfR2 is the Forest Research Agency.
7. Further details of the expenditure contained in the Estimate will be included in the Defra Departmental Report.
8. Symbols are explained in the Introduction to this booklet.

Department for Environment, Food and Rural Affairs

Part I

£

| | |
|---|----------------------|
| Request for Resources 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible | 5,525,539,000 |
| Request for Resources 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain | 71,648,000 |
| Total net resource requirement | 5,597,187,000 |
| Net cash requirement | 5,548,867,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Department for Environment, Food and Rural Affairs on:

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible

Environmental protection; support for measures which improve local environmental quality; pollution emergency response services; flood and coastal protection and land drainage; water partnership supply and sewerage services, including national security; to increase the UK's environment decontamination capabilities involving chemical, biological or radiological materials; support to the environmental protection industry for environmental technology and for measures to promote sustainable development; measures to reduce carbon dioxide emissions and improve energy efficiency, security and environmental practice; botanical services; radon measurement and support of remedial works campaigns; support for agriculture in special areas; food safety and hygiene; support for rural and regional development; assistance to production; marketing and processing in the agriculture, fisheries and food industries; assistance to the residuary Milk Marketing Board; emergency and strategic food services; plant health; support for the fishing industry; compensation payments to producers; grants and other financial support to voluntary bodies; support for measures to stimulate sustainable consumption of goods and services; countryside management and stewardship; conservation; national parks grants; support of countryside and wildlife initiatives; forestry policy; animal health and welfare; emergency measures, including foot and mouth eradication and compensation schemes; other services including emergency measures in relation to BSE; grant-in-aid to Non-Departmental Public Bodies and subsidy to Public Corporations; subscriptions and contributions to international organisations; surveys, monitoring, statistics, advice and consultancies; publicity, promotion, awareness and publications; commissioned and departmental research and development; specialist support services, management and development of staff, other departmental administration costs, regional restructuring costs; EU receipts; giving effect in the United Kingdom to the agricultural support provisions of the Common Agricultural Policy and Rural Development Programme for England of the European Union including compensation payments to producers and support for agriculture in special areas; management of inland waterways by British Waterways Board; consumer representation and other functions under the Water Act 2003; funding through Area Based Grants and associated non-cash costs.

RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain

Deliver the social, environmental and economic programmes of the UK Government's strategy for Trees, Woods and Forests in England, connected to the distinctive needs of the Regions, through the promotion of forestry: and by managing the Commission's estate regulating planting and felling and offering incentives. Provide advice and support to the UK Government and to the devolved administrations in Scotland and Wales, represent the United Kingdom's forestry interests within the European Union and internationally, set standards for sustainable forest management and encourage good forestry practice, conduct forest research and protect forests from pests and disease.

The **Department for Environment, Food and Rural Affairs** will account for this Estimate.

| | £ |
|---------------------------------------|---------------------------------|
| | Net total |
| | Allocated in Vote on Account |
| | Balance to complete |
| RfR 1 | 5,525,539,000 |
| RfR 2 | 71,648,000 |
| Total net resource requirement | 5,597,187,000 |
| Net cash requirement | 5,548,867,000 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|--|-----------|-------------|-----------|-----------|------------------------------|--------------------|-----------|-----------|-------|--|
| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | | | |
| Resources | | | | | | Capital Non- operating | | Net Total | Net Total | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible | | | | | | | | | | | |
| 559,778 | 4,376,266 | 1,742,661 | 6,678,705 | 1,153,166 | 5,525,539 | 115,580 | 27,200 | 5,884,853 | 5,684,462 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Animal Health and Welfare | | | | | | | | | | |
| 21,765 | 181,165 | 39,900 | 242,830 | 8,816 | 234,014 | - | - | 285,085 | 248,346 | | |
| B | Environment | | | | | | | | | | |
| 47,688 | 408,175 | 449,119 | 904,982 | 35,583 | 869,399 | 6,648 | - | 920,858 | 813,636 | | |
| C | Sustainable Farming Food and Fisheries | | | | | | | | | | |
| 38,370 | 95,613 | 77 | 134,060 | 3,052 | 131,008 | - | - | 131,440 | 114,104 | | |
| D | Natural Resources and Rural Affairs | | | | | | | | | | |
| 18,114 | 560,525 | 85,253 | 663,892 | 30 | 663,862 | - | - | 514,411 | 536,114 | | |
| E | Departmental Operations | | | | | | | | | | |
| 248,690 | 58,557 | - | 307,247 | 17,819 | 289,428 | 56,904 | 24,450 | 207,012 | 265,551 | | |
| F | Rural Payments Agency EC funded | | | | | | | | | | |
| - | 1,786,277 | 473 | 1,786,750 | - | 1,786,750 | - | - | 2,072,622 | 1,918,808 | | |
| G | Rural Payments Agency running costs | | | | | | | | | | |
| - | 227,104 | - | 227,104 | 3,000 | 224,104 | 22,048 | - | 236,222 | 217,088 | | |
| H | Rural Payments Agency other | | | | | | | | | | |
| - | 56,362 | - | 56,362 | - | 56,362 | - | - | 85,800 | 273,382 | | |
| I | Other Executive Agencies | | | | | | | | | | |
| 185,151 | 147,077 | 3,000 | 335,228 | 185,155 | 150,073 | 29,980 | 2,750 | 160,220 | 132,652 | | |
| <i>Local Area Agreements</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 118,459 | 104,387 | | |
| <i>Support for Local Authorities</i> | | | | | | | | | | | |
| J | Environment | | | | | | | | | | |
| - | - | 120,895 | 120,895 | - | 120,895 | - | - | 88,014 | 85,556 | | |
| K | Natural Resources and Rural Affairs | | | | | | | | | | |
| - | - | 46,742 | 46,742 | - | 46,742 | - | - | 46,547 | 43,318 | | |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|--|-------------|------------------|-------------|----------------|--------------|----------------------------------|------------------------|------------------------|-----------|-----------|
| 2008-09 Provision | | | | | | | 2007-08 Provision | 2006-07 Outturn | | | |
| Resources | | | | | | Capital | | Net Total Resources | Net Total Resources | | |
| Admin 1 | Other Current 2 | Grants 3 | Gross Total 4 | A in A 5 | Net Total 6 | Capital 7 | Non- operating A in A 8 | | | | |
| L | Rural Payments Agency EC funded | - | - | 4,992 | 4,992 | - | 4,992 | - | - | 4,992 | 6,567 |
| M | Area Based Grant: DEFRA | - | - | 3,000 | 3,000 | - | 3,000 | - | - | - | - |
| N | Animal Health and Welfare | - | - | 8,500 | 8,500 | - | 8,500 | - | - | - | - |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| O | Environment | - | -35,000 | 47,700 | 12,700 | - | 12,700 | - | - | 55,600 | 24,125 |
| Non-Budget | | | | | | | | | | | |
| P | Environment | - | - | 693,925 | 693,925 | 8,270 | 685,655 | - | - | 704,530 | 663,655 |
| Q | Sustainable Farming Food and Fisheries | - | - | 9,000 | 9,000 | - | 9,000 | - | - | 9,391 | 6,593 |
| R | Natural Resources and Rural Affairs | - | - | 204,085 | 204,085 | 1,030 | 203,055 | - | - | 218,751 | 201,007 |
| S | Departmental Operations | - | - | 26,000 | 26,000 | - | 26,000 | - | - | 24,899 | 25,575 |
| T | Rural Payments Agency EC funded | - | 890,411 | - | 890,411 | 890,411 | - | - | - | - | 3,998 |
| RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain | | | | | | | | | | | |
| | | - | 70,594 | 1,054 | 71,648 | - | 71,648 | 2,000 | - | 90,369 | 70,097 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Forestry Commission (England) | - | 57,284 | - | 57,284 | - | 57,284 | 2,000 | - | 72,152 | 53,654 |
| B | Forestry Commission (GB Core) | - | 13,310 | 1,054 | 14,364 | - | 14,364 | - | - | 18,217 | 16,443 |
| Total for Estimate: | | | | | | | | | | | |
| | | 559,778 | 4,446,860 | 1,743,715 | 6,750,353 | 1,153,166 | 5,597,187 | 117,580 | 27,200 | 5,975,222 | 5,754,559 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 5,597,187 | 5,975,222 | 5,754,559 |
| Voted capital items | | | |
| Capital | 117,580 | 113,392 | 125,328 |
| Less Non-operating A-in-A | 27,200 | 12,035 | 3,228 |
| Total net voted capital | 90,380 | 101,357 | 122,100 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -47,000 | -88,585 | -26,422 |
| Depreciation | -92,000 | -66,033 | -77,187 |
| New provisions and adjustments to previous provisions | -89,700 | -134,000 | -335,248 |
| Profit/loss on sale of assets | - | - | 3,228 |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | 800 |
| Increase (+) / Decrease (-) in stock | - | 324 | -791 |
| Increase (+) / Decrease (-) in debtors | - | 1,162 | -678 |
| Increase (-) / Decrease (+) in creditors | - | -553 | 745,467 |
| Use of provisions | 90,000 | 67,400 | 482 |
| Total accruals to cash adjustments | -138,700 | -220,285 | 309,651 |
| Excess cash to be CFERd | - | 75,610 | - |
| Net Cash Requirement | 5,548,867 | 5,931,904 | 6,186,310 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------------------|-------------------------|------------------------------|-------------------------|----------------------------|-------------------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | 2,075,710 | <i>2,276,609</i> | 2,282,356 | <i>2,340,356</i> | 2,007,730 | <i>2,350,992</i> |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | <i>75,610</i> | - | - |
| Total | 2,075,710 | <i>2,276,609</i> | 2,282,356 | <i>2,415,966</i> | 2,007,730 | <i>2,350,992</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 356,000 | 393,944 | 391,196 |
| RfR 2 | - | - | - |
| Total Net Administration costs | 356,000 | 393,944 | 391,196 |
| Net Programme Costs | | | |
| RfR 1 | 5,169,539 | 5,490,909 | 5,293,266 |
| RfR 2 | 71,648 | 90,369 | 70,097 |
| Non-voted | -2,075,710 | -2,282,356 | -2,007,730 |
| Total Net Programme costs | 3,165,477 | 3,298,922 | 3,355,633 |
| Total Net Operating Cost | 3,521,477 | 3,692,866 | 3,746,829 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 5,597,187 | 5,975,222 | 5,754,559 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | -2,075,710 | -2,282,356 | -2,007,730 |
| Resource Budget | 2,918,747 | 3,039,299 | 3,097,304 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 5,597,187 | 5,975,222 | 5,754,559 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | -2,075,710 | -2,282,356 | -2,007,730 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 3,521,477 | 3,692,866 | 3,746,829 |
| <i>Adjustments to remove:</i> | | | |
| Gains /losses from sale of capital assets | - | - | 3,228 |
| Capital grants | -533,636 | -485,796 | -494,900 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | -4,018 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | 22,205 | - |
| Resource consumption of non-departmental public bodies | -119,094 | -137,632 | -101,467 |
| Unallocated resource provision | 50,000 | - | - |
| Other adjustments | - | -52,344 | -52,368 |
| Resource Budget (Budget) | 2,918,747 | 3,039,299 | 3,097,304 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 2,936,444 | 3,021,992 | 3,102,586 |
| Annually Managed Expenditure (AME) | -17,697 | 17,307 | -5,282 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 90,380 | 101,357 | 122,100 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | 380,065 | 249,328 | 260,136 |
| Capital grants | 533,636 | 485,796 | 494,900 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | 67 | - |
| Capital spending by levy funded bodies | 846 | 846 | 381 |
| Unallocated capital provision | - | - | - |
| Other adjustments | -4,000 | 54,297 | 44,472 |
| Capital Budget (Budget) | 1,000,927 | 891,691 | 921,989 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1,000,081 | 890,845 | 921,608 |
| Annually Managed Expenditure (AME) | 846 | 846 | 381 |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

Request for Resources 1: Helen Ghosh, Accounting Officer and Permanent Head of Department

Request for Resources 2: Tim Rollinson, Director General of the Forestry Commission

Helen Ghosh as the Principal Accounting Officer of the Department for Environment, Food and Rural Affairs has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of the Department for Environment, Food and Rural Affairs.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

In accordance with Managing Public Money requirements the relationship between the Principal Accounting Officer and the Additional Accounting Officer(s) and with their Ministers, together with their respective responsibilities, will be set out in writing.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible | | | |
| Administration | 203,778 | 250,602 | 259,729 |
| <i>of which:</i> | | | |
| Sale of goods and services | 203,778 | 250,602 | 259,581 |
| EU Income | - | - | 114 |
| Interest and dividends | - | - | 34 |
| Programme | 949,388 | 1,062,750 | 1,098,237 |
| <i>of which:</i> | | | |
| Sale of goods and services | 9,329 | 16,209 | 38,336 |
| EU Income | 896,042 | 1,024,452 | 1,058,832 |
| Other grant income (including repayments of grants/subsidies) | 15,300 | 4,400 | - |
| Interest and dividends | 28,717 | 17,689 | 1,069 |
| Total RfR 1 | 1,153,166† | 1,313,352 | 1,357,966 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: eligible expenditure on farm grants, monitoring of Arable Area Payments Scheme, the UK Register of Organic Food Standards, decommissioning of fishing vessels, EC Leader Programme and Sector Challenge Grants. Receipts resulting from projects under the Wider Markets Initiative. Receipts from sale of carcasses and vaccine relating to Brucellosis and Tuberculosis eradication. Receipts from fees and charges on Local Veterinary Inspectors work, public enquiries on salmon, whaling and inland fisheries, certification testing, National List and plant breeders' rights, commissioned surveys, studies and advice. Repayments of ATB Landbase redundancy fund and loans, SFIA loan capital and refund of SFIA grants. Rental income from ATB Landbase and from land managed by the Minister. Receipts in respect of the tide gauge network; work carried out by the Veterinary Laboratories Agency and NIAB Redundancy Fund.</i> | | | |
| <i>Recovery of shellfish enquiry expenses. Income from the provision of services to internal and external customers, including the secondment of staff and services to IBEA. Statutory receipts. Receipts from the sale or use of rights and assets. Rents from property. Receipts from the sale of information, including publications. Income from levies, licensing approvals, certification, inspections, registrations, supervision and extensification. Reimbursement of Defra expenditure, including EC receipts. Income from legal claims. Insurance recoveries. Other receipts and credits. Receipts in respect of environment protection and research (ex-DETR). Recovery of income from transfers, bulletins and for receipts for CAP market support and from European Community Institutions.</i> | | | |
| RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain | | | |
| Programme | - | - | 800 |
| <i>of which:</i> | | | |
| Sale of goods and services | - | - | 800 |
| Total RfR 2 | - | - | 800 |
| Total Operating A in A | 1,153,166 | 1,313,352 | 1,358,766 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible | | | |
| Programme | 27,200 | 12,035 | 3,228 |
| <i>of which:</i> | | | |
| Sale of assets | 27,200 | 12,035 | 3,228 |
| Total RfR 1 | 27,200† | 12,035 | 3,228 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of surplus land, buildings and other capital assets.</i> | | | |
| Total Non-Operating A in A | 27,200 | 12,035 | 3,228 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Rural Payments Agency EU IncomeΦ | 1,761,710 | 1,962,609 | 2,064,751 | 2,184,751 | 1,839,777 | 2,027,474 |
| Rural Payments Agency Sugar Levies | - | - | 22,205 | 22,205 | - | - |
| Income● | | | | | | |
| Excess Cash Surrendered● | - | - | - | 75,610 | - | - |
| Rural Development Programme England | 314,000 | 314,000 | 195,400 | 133,400 | 167,953 | 323,518 |
| IncomeΦ | | | | | | |
| Total | 2,075,710 | 2,276,609 | 2,282,356 | 2,415,966 | 2,007,730 | 2,350,992 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|-----------|------------|-----------|
| | Voted | Non-voted | Total |
| Resource DEL | 4,086,265 | -1,149,821 | 2,936,444 |
| <i>of which: †</i> | | | |
| Administration budget | 356,000 | - | 356,000 |
| Near-cash in RDEL | 3,870,265 | -1,241,821 | 2,628,444 |
| Capital DEL †† | 664,892 | 335,189 | 1,000,081 |
| Less Depreciation ††† | -92,000 | -99,000 | -191,000 |
| Total DEL | 4,659,157 | -913,632 | 3,745,525 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £5,597,187,000 is 6.3 per cent lower than the final net provision for 2007-08 of £5,975,222,000 and 0.4 per cent higher than the forecast outturn for 2007-08 of £5,574,204,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 1,180,366 | 1,325,387 | 1,361,994 |

Notes to the Main Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|-------------|---|-------|
| RfR1 | | |
| A-D | Payments for Committees and Tribunals | 58 |
| D | Funding to establish the Commons and Greens Registration and Management Association | 32 |

Notes to the Main Estimate (*continued*)

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|---------------------------------------|---------|
| RfR1 - R | Natural England ♥ | 190,085 |
| RfR1 - R | Commission for Rural Communities ♥ | 8,000 |
| RfR1 - P | Environment Agency ♥ | 687,925 |
| RfR1 - R | National Forest Company ♠ | 4,000 |
| RfR1 - S | Royal Botanical Gardens, Kew ♥ | 26,000 |
| RfR1 - Q | Food from Britain ♥ | 6,000 |
| RfR1 - R | Joint Nature Conservation Committee ♠ | 2,000 |
| RfR1 - P | Consumer Council for Water ♥ | 6,000 |
| RfR1 - Q | Gangmasters Licensing Authority ♥ | 3,000 |

Notes to the Main Estimate (*continued*)

Contingent liabilities

| Nature of Liability | £'000 |
|---|----------------|
| Liability for landfill sites that do not reach the standards required by Pollution Prevention and Control Regulations if the licence holder becomes insolvent | 20,000 |
| Swill feeder claims connected with the FMD outbreak | Unquantifiable |
| An open infraction case from the EC due to a past failure to implement ozone legislation | Unquantifiable |
| FMD Farm Burial Ground claims | 4,000 |
| Infringements of the Urban Waste Water Treatment Directive could lead to substantial fines from the EU | Unquantifiable |
| Investment guarantees related to the Waste and Resources Action Programme (WRAP) | 5,600 |
| Various liabilities concerning WRAP lease commitments | 500 |
| Indemnity against all actions, costs and expenses made against the National Institute of Agricultural Botany (NIAB) arising from their contract with Defra | Unquantifiable |
| Potential costs of remediation of radioactive contaminated land in accordance with Part 2A of the Environmental Protection Act 1990 | Unquantifiable |
| Potential liabilities arising from small claims against Defra | 4,200 |
| During the process of decommissioning a rented tallow storage facility and negotiating a final settlement the owners have made a claim for tank damages, although expert opinion does not support any claim for damages | 6,000 |

Water Services Regulation Authority

Introduction

1. This Estimate provides for the funding of the Water Services Regulation Authority (Ofwat), which was established under the Water Act 2003. Ofwat is responsible for the economic regulation of the water industry in England and Wales as set out in the Water Industry Act 1991 and Water Act 2003.
2. Ofwat is financed through licence fees received from the water and sewerage companies and is subject to cost controls.
3. The cash provision of £609,000 is sought to cover:
 - i) the part of the pension costs of the former Directors General of the Office of Water Services of £109,000 which cannot be charged to the water industry as it relates to their service with other government departments;
 - ii) administrative costs of £500,000 to be funded by the use of previous years licence fees.
4. Symbols are explained in the introduction to this booklet.

Water Services Regulation Authority

Part I

| | £ |
|--|----------------|
| Request for Resources 1: Regulation of the Water Industry | 48,000 |
| Total net resource requirement | 48,000 |
| Net cash requirement | 609,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Water Services Regulation Authority on:

RfR 1: Regulation of the Water Industry

Administrative and operational costs and the provision of customer representation and associated non-cash items.

The **Water Services Regulation Authority** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|----------------|------------------------------------|------------------------|
| RfR 1 | 48,000 | 11,000 | 37,000 |
| Total net resource requirement | 48,000 | 11,000 | 37,000 |
| Net cash requirement | 609,000 | 52,000 | 557,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|--|------------------|--------|-------------|--------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Regulation of the Water Industry | | | | | | | | | |
| 17,900 | -88 | 135 | 17,947 | 17,899 | 48 | 300 | - | 174 | 39 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Water Services Regulation Authority | | | | | | | | | |
| 17,900 | - | - | 17,900 | 17,899 | 1 | 300 | - | 2 | - |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| B Interest on Pension Scheme Liabilities | | | | | | | | | |
| - | -88 | 135 | 47 | - | 47 | - | - | 172 | 39 |
| Total for Estimate: | | | | | | | | | |
| 17,900 | -88 | 135 | 17,947 | 17,899 | 48 | 300 | - | 174 | 39 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 48 | 174 | 39 |
| Voted capital items | | | |
| Capital | 300 | 517 | 499 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 300 | 517 | 499 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | 100 | 105 | 143 |
| Depreciation | -274 | -190 | -307 |
| New provisions and adjustments to previous provisions | -135 | -115 | -125 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | -40 | -33 | -33 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | 74 |
| Increase (-) / Decrease (+) in creditors | 455 | 808 | -884 |
| Use of provisions | 155 | 162 | 384 |
| Total accruals to cash adjustments | 261 | 737 | -748 |
| Excess cash to be CFERd | - | - | 502 |
| Net Cash Requirement | 609 | 1,428 | 292 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|------------------------|------------------|------------------------|----------------|------------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | - | - |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | <i>20,300</i> | 28,800 | <i>8,500</i> | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | <i>502</i> |
| Total | - | <i>20,300</i> | 28,800 | <i>8,500</i> | - | <i>502</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|--|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 1 | 2 | - |
| Total Net Administration costs | 1 | 2 | - |
| Net Programme Costs | | | |
| RfR 1 | 47 | 172 | 39 |
| Non-Voted | - | - | - |
| Reduction in forecast operating costs not included in Estimate | - | -146 | - |
| Total Net Programme costs | 47 | 26 | 39 |
| Total Net Operating Cost | 48 | 28 | 39 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 48 | 174 | 39 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Reduction in forecast operating costs not included in Estimate | - | -146 | - |
| Resource Budget | 48 | 28 | 39 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 48 | 174 | 39 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Reduction in planned spending unable to be included in Estimate | - | -146 | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 48 | 28 | 39 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 48 | 28 | 39 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1 | 2 | - |
| Annually Managed Expenditure (AME) | 47 | 26 | 39 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 300 | 517 | 499 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 300 | 517 | 499 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 300 | 517 | 499 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Regina Finn, Chief Executive

Regina Finn as the Accounting Officer of the Water Services Regulation Authority has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Water Services Regulation Authority.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Regulation of the Water Industry | | | |
| Administration | 17,899 | 14,189 | 11,472 |
| <i>of which:</i> | | | |
| Sale of goods and services | 109 | 100 | 168 |
| Regulatory licences, fines, penalties and taxes | 17,790 | 14,089 | 11,304 |
| Total RfR 1 | 17,899† | 14,189 | 11,472 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the receipt of licence fees and income relating to the provision of support services to the Consumer Council for Water.</i> | | | |
| Total Operating A in A | 17,899 | 14,189 | 11,472 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Fines and Penalties● | - | 20,300 | 28,800 | 8,500 | - | - |
| Excess cash surrendreable to the Consolidated Fund ● | - | - | - | - | - | 502 |
| Total | - | 20,300 | 28,800 | 8,500 | - | 502 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|--------------|------------------|--------------|
| | Voted | Non-voted | Total |
| Resource DEL | 1 | - | 1 |
| <i>of which: †</i> | | | |
| Administration budget | 1 | - | 1 |
| Near-cash in RDEL | -301 | - | -301 |
| Capital DEL †† | 300 | - | 300 |
| Less Depreciation ††† | -274 | - | -274 |
| Total DEL | 27 | - | 27 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £48,000 is 72.1 per cent lower than the final net provision for 2007-08 of £172,000 and the same as the forecast outturn for 2007-08 of £48,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 17,899 | 14,189 | 11,472 |

Department for Culture, Media and Sport

Introduction

1. This Estimate covers grant-in-aid and grant expenditure by the Department for Culture, Media and Sport on support to museums, galleries and libraries; arts; sport; architecture and the historic environment; tourism, broadcasting and media; gambling, licensing and horseracing; expenditure on the administration of the Department; on research and other surveys; on costs associated with the Olympic Games 2012; on the National Lottery Commission; and on the Royal Parks agency (all RfR 1); and payments to the British Broadcasting Corporation (BBC) to finance television and sound broadcasting within the United Kingdom (RfR 2).
2. Details of expenditure are contained in the Department for Culture, Media and Sport Annual Report.
3. Indemnities have been granted by the Secretary of State for Culture, Media and Sport under the National Heritage Act 1980. The department forecast for the maximum total indemnity value expected in 2008-09 is £8,613 million. A breakdown of these indemnities can be found at the end of this Estimate .
4. Symbols are explained in the Introduction to this booklet.

Department for Culture, Media and Sport

Part I

| | £ |
|--|----------------------|
| Request for Resources 1: Improving the quality of life through cultural and sporting activities | 2,303,030,000 |
| Request for Resources 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities | 2,971,400,000 |
| Total net resource requirement | 5,274,430,000 |
| Net cash requirement | 5,265,269,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Department for Culture, Media and Sport on:

RfR 1: Improving the quality of life through cultural and sporting activities

Support for national and other museums and galleries; the Government Indemnity Scheme; the British Library and other library and archive institutions and services; to the Arts and Sports Councils and for other arts, sports and media bodies and schemes; the Royal Palaces and Parks; historic buildings, ancient monuments and sites, certain public buildings, and national heritage and architecture, and VAT grant scheme for memorials; listed places of worship scheme; promotion of tourism; support to film bodies and projects; the Creative Economy; sponsorship of the music industry; the Welsh Fourth Channel Authority, the Office of Communications and certain broadcasting services and schemes;

support for alcohol, gambling, film and video licensing; related research, surveys and other services; central administration costs; expenses of the National Lottery Commission; commemorative services, memorials and Royal funerals; support for the provision of humanitarian assistance to those affected by major disasters; costs to support delivery of the Olympic Games 2012; expenses of Privatising the Tote and associated non-cash items.

RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities

Payments to the British Broadcasting Corporation for broadcasting and other services and activities; and associated non-cash items.

The **Department for Culture, Media and Sport** will account for this Estimate.

| | £ | | |
|---------------------------------------|----------------------|------------------------------------|------------------------|
| | Net total | Allocated in Vote on Account | Balance to complete |
| RfR 1 | 2,303,030,000 | 1,290,971,000 | 1,012,059,000 |
| RfR 2 | 2,971,400,000 | 1,285,249,000 | 1,686,151,000 |
| Total net resource requirement | 5,274,430,000 | 2,576,220,000 | 2,698,210,000 |
| Net cash requirement | 5,265,269,000 | 2,575,346,000 | 2,689,923,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | | | |
|--|---|-----------|-------------|---------|-----------|-------------------|-----------------|---------------------|---------------------|---------|--------|
| Resources | | | | | | Capital | Non-operating | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 1: Improving the quality of life through cultural and sporting activities | | | | | | | | | | | |
| 49,258 | 31,918 | 2,666,423 | 2,747,599 | 444,569 | 2,303,030 | 4,850 | 4,850 | 1,919,126 | 1,652,693 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Museums, galleries and libraries | - | 200 | 8,537 | 8,737 | - | 8,737 | - | 4,850 | 9,148 | 877 |
| B | Arts | - | 852 | 1,396 | 2,248 | - | 2,248 | 200 | - | 3,852 | 2,336 |
| C | Sport | - | 615 | 1,867 | 2,482 | - | 2,482 | - | - | 8,541 | 10,171 |
| D | Architecture and the Historic Environment | - | 1,903 | 7,659 | 9,562 | - | 9,562 | 500 | - | 8,495 | 4,641 |
| E | Listed places of worship scheme | - | 250 | 15,000 | 15,250 | - | 15,250 | - | - | 15,250 | 14,226 |
| F | The Royal Parks | - | 20,459 | - | 20,459 | - | 20,459 | 1,400 | - | 19,992 | 19,207 |
| G | Tourism | - | - | 1,900 | 1,900 | - | 1,900 | - | - | 1,963 | 1,925 |
| H | Broadcasting and media | - | 1,215 | 3,371 | 4,586 | - | 4,586 | - | - | 4,508 | 1,624 |
| I | Creative Economy | - | 3,000 | - | 3,000 | - | 3,000 | - | - | - | - |
| J | Administration, Research and other surveys | 49,258 | 3,424 | - | 52,682 | - | 52,682 | 2,750 | - | 58,297 | 55,203 |
| K | National Lottery Commission | - | - | - | - | 6,269 | -6,269 | - | - | -14,000 | -8,827 |
| L | Olympics including OGD receipts for the ODA | - | - | - | - | 438,300 | -438,300 | - | - | 3,315 | 154 |
| <i>Gambling, licensing and horseracing</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | - | -1,835 | -2,188 |
| <i>Culture Online</i> | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | - | 6,975 | 4,205 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|--|---|---------------|---------------|------------------|------------------|------------------------------|------------------|------------------------|------------------------|------------------------------|----------------------------|
| 2008-09 Provision | | | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
| Resources | | | | | | Capital Non- operating | | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| Non-Budget | | | | | | | | | | | |
| M | Regional Cultural Consortiums | - | - | 1,720 | 1,720 | - | 1,720 | - | - | 2,149 | 1,923 |
| N | Museums, galleries and libraries | - | - | 536,901 | 536,901 | - | 536,901 | - | - | 534,267 | 488,349 |
| O | Arts | - | - | 398,905 | 398,905 | - | 398,905 | - | - | 422,255 | 427,862 |
| P | Sport | - | - | 185,035 | 185,035 | - | 185,035 | - | - | 193,038 | 158,524 |
| Q | Architecture and the Historic Environment | - | - | 187,755 | 187,755 | - | 187,755 | - | - | 175,383 | 169,496 |
| R | Tourism | - | - | 51,412 | 51,412 | - | 51,412 | - | - | 54,250 | 53,500 |
| S | Broadcasting and media | - | - | 140,126 | 140,126 | - | 140,126 | - | - | 119,421 | 121,790 |
| T | National Lottery Commission | - | - | 6,339 | 6,339 | - | 6,339 | - | - | 14,083 | 9,200 |
| U | Gambling, licensing and horseracing | - | - | 500 | 500 | - | 500 | - | - | 4,328 | 18,742 |
| V | London 2012 | - | - | 1,118,000 | 1,118,000 | - | 1,118,000 | - | - | 275,451 | 99,753 |
| RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities | | | | | | | | | | | |
| | | - | - | 2,971,400 | 2,971,400 | - | 2,971,400 | - | - | 2,856,110 | 2,739,006 |
| Non-Budget | | | | | | | | | | | |
| A | Home broadcasting | - | - | 2,971,400 | 2,971,400 | - | 2,971,400 | - | - | 2,856,110 | 2,739,006 |
| Total for Estimate: | | | | | | | | | | | |
| | | 49,258 | 31,918 | 5,637,823 | 5,718,999 | 444,569 | 5,274,430 | 4,850 | 4,850 | 4,775,236 | 4,391,699 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 5,274,430 | 4,775,236 | 4,391,699 |
| Voted capital items | | | |
| Capital | 4,850 | 45,930 | 13,850 |
| Less Non-operating A-in-A | 4,850 | 40,000 | 464 |
| Total net voted capital | - | 5,930 | 13,386 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -2,705 | -2,580 | -2,647 |
| Depreciation | -6,456 | -12,917 | -8,014 |
| New provisions and adjustments to previous provisions | - | 4 | -1,104 |
| Profit/loss on sale of assets | - | - | -8 |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | -120 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | -2,187 |
| Increase (-) / Decrease (+) in creditors | - | 13,796 | -4,246 |
| Use of provisions | - | - | 804 |
| Total accruals to cash adjustments | -9,161 | -1,697 | -17,522 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 5,265,269 | 4,779,469 | 4,387,563 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------------------|-------------------------|------------------------------|-------------------------|----------------------------|-------------------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | 2,971,590 | <i>2,971,590</i> | 2,856,300 | <i>2,856,300</i> | 2,739,160 | <i>2,739,160</i> |
| Non-operating income not classified as A in A | - | - | 45,200 | <i>45,200</i> | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | 2,971,590 | <i>2,971,590</i> | 2,901,500 | <i>2,901,500</i> | 2,739,160 | <i>2,739,160</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 49,258 | 55,500 | 51,068 |
| RfR 2 | - | - | - |
| Total Net Administration costs | 49,258 | 55,500 | 51,068 |
| Net Programme Costs | | | |
| RfR 1 | 2,253,772 | 1,863,626 | 1,601,625 |
| RfR 2 | 2,971,400 | 2,856,110 | 2,739,006 |
| Non-voted | -2,971,590 | -2,856,300 | -2,739,160 |
| Total Net Programme costs | 2,253,582 | 1,863,436 | 1,601,471 |
| Total Net Operating Cost | 2,302,840 | 1,918,936 | 1,652,539 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 5,274,430 | 4,775,236 | 4,391,699 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | -2,971,590 | -2,856,300 | -2,739,160 |
| Resource Budget | 5,483,441 | 5,749,035 | 5,058,341 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 5,274,430 | 4,775,236 | 4,391,699 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | -2,971,590 | -2,856,300 | -2,739,160 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 2,302,840 | 1,918,936 | 1,652,539 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -8 |
| Capital grants | -7,558 | -23,352 | -10,556 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | -2,971,400 | -2,856,110 | -2,739,006 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | 2,971,590 | 2,856,300 | 2,739,160 |
| Resource consumption of non departmental public bodies | 2,331,870 | 2,787,768 | 2,716,494 |
| Unallocated resource provision | 100 | 7,870 | - |
| Other adjustments | 855,999 | 1,057,623 | 699,718 |
| Resource Budget (Budget) | 5,483,441 | 5,749,035 | 5,058,341 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1,620,456 | 1,607,412 | 1,526,623 |
| Annually Managed Expenditure (AME) | 3,862,985 | 4,141,623 | 3,531,718 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | - | 5,930 | 13,386 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | -45,200 | - |
| Capital spending by non-departmental public bodies | 949,619 | 578,071 | 362,835 |
| Capital grants | 7,558 | 23,352 | 10,556 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | 163,576 | - | - |
| Other adjustments | 614,444 | 650,379 | 715,280 |
| Capital Budget (Budget) | 1,735,197 | 1,212,532 | 1,102,057 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1,044,753 | 522,353 | 283,777 |
| Annually Managed Expenditure (AME) | 690,444 | 690,179 | 818,280 |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

Request for Resources 1: Jonathan Stephens, Permanent Head of Department

Request for Resources 2: Jonathan Stephens, Permanent Head of Department

Jonathan Stephens as the Accounting Officer of the Department for Culture, Media and Sport has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Culture, Media and Sport.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Improving the quality of life through cultural and sporting activities | | | |
| Administration | - | 1,152 | 1,520 |
| <i>of which:</i> | | | |
| Sale of goods and services | - | 1,082 | 1,520 |
| Other grant income (including repayments of grants/subsidies) | - | 70 | - |
| Programme | 444,569 | 30,944 | 23,431 |
| <i>of which:</i> | | | |
| Sale of goods and services | 6,269 | 30,944 | 23,431 |
| Other grant income (including repayments of grants/subsidies) | 438,300 | - | - |
| Total RfR 1 | 444,569† | 32,096 | 24,951 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts by the Government Art Collection from sale of prints, hire of transparencies, copyright fees, etc; recovery of ceremonial costs; recovery of costs for repairs to listed buildings; fees and charges for licences and receipts from concessionaires and sponsors; proceeds from the sale of properties; proceeds from the early release of office leases; Royal Parks Agency fees and charges for licences, rents, gardening services, sports charges, unclaimed lost property, sponsorship and receipts for private use of telephones, and proceeds from the sale of properties; repayment of loans in connection with film development projects, fees for self help TV transmission licences, EU receipts; contributions from other government departments toward the costs of the Olympic Delivery Authority; receipts from the National Lottery Distribution Fund to meet the cost of its administration by the Department for Culture, Media and Sport and of the expenses of the National Lottery Commission; receipts from the National Lottery operator's licence fees; and recoveries from the issue of licensing certificates for gaming machines and operators of gaming establishments; recovery of costs and proceeds arising from the sale of the Tote; and receipts associated with the Olympic Games 2012.</i> | | | |
| Total Operating A in A | 444,569 | 32,096 | 24,951 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Improving the quality of life through cultural and sporting activities | | | |
| Programme | 4,850 | 40,000 | 464 |
| <i>of which:</i> | | | |
| Sale of assets | 4,850 | 40,000 | 464 |
| Total RfR 1 | 4,850† | 40,000 | 464 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: receipts from the sale of land, buildings, assets and capitalised leases</i> | | | |
| Total Non-Operating A in A | 4,850 | 40,000 | 464 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Licence Fee receipts from the BBC ● | 2,971,590 | 2,971,590 | 2,856,300 | 2,856,300 | 2,739,160 | 2,739,160 |
| Land Sale Receipts Δ | - | - | 45,200 | 45,200 | - | - |
| Total | 2,971,590 | 2,971,590 | 2,901,500 | 2,901,500 | 2,739,160 | 2,739,160 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|----------|-----------|-----------|
| | Voted | Non-voted | Total |
| Resource DEL | 107,079 | 1,513,377 | 1,620,456 |
| <i>of which: †</i> | | | |
| Administration budget | 49,258 | - | 49,258 |
| Near-cash in RDEL | 97,918 | 1,308,538 | 1,406,456 |
| Capital DEL †† | -430,742 | 1,475,495 | 1,044,753 |
| Less Depreciation ††† | -6,456 | -106,544 | -113,000 |
| Total DEL | -330,119 | 2,882,238 | 2,552,209 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £5,274,430,000 is 10.5 per cent higher than the final net provision for 2007-08 of £4,775,236,000 and 11.3 per cent higher than the forecast outturn for 2007-08 of £4,737,929,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 449,419 | 72,096 | 25,415 |

Notes to the Main Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|-------------|--|---------|
| C3 | Chess | 60 |
| D3 | Chatham Historic Dockyard Trust | 300 |
| N3 | Geffrye Museum | 1,748 |
| N3 | Horniman Museum and Gardens | 4,757 |
| N3 | Museum of Science and Industry in Manchester | 4,803 |
| N3 | Museums, Libraries and Archives Council | 13,971 |
| O3 | Arts Council of England | 398,905 |
| S3 | UK Film Council | 37,464 |

Notes to the Main Estimate (*continued*)

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|---|-----------|
| RfR1 | | |
| M3 | Regional Cultural Consortiums ♠ | 1,720 |
| N3 | British Museum ♦ | 50,875 |
| N3 | Natural History Museum ♥ | 51,195 |
| N3 | Imperial War Museum ♦ | 23,588 |
| N3 | National Gallery ♥ | 26,869 |
| N3 | National Maritime Museum ♥ | 19,313 |
| N3 | National Museums and Galleries on Merseyside ♥ | 22,488 |
| N3 | National Portrait Gallery ♥ | 7,693 |
| N3 | National Museum of Science & Industry ♥ | 39,158 |
| N3 | Tate Gallery ♥ | 46,784 |
| N3 | Victoria & Albert Museum ♥ | 44,234 |
| N3 | Wallace Collection ♥ | 4,228 |
| N3 | Museum of Science & Industry in Manchester ♠ | 4,803 |
| N3 | Sir John Soane's Museum ♥ | 1,276 |
| N3 | Horniman Museum and Gardens ♠ | 4,757 |
| N3 | Geffrye Museum ♠ | 1,748 |
| N3 | Royal Armouries ♥ | 8,264 |
| N3 | British Library ♥ | 106,904 |
| N3 | Public Lending Right ♥ | 7,432 |
| N3 | Museums, Libraries and Archives Council (MLA) ♠ | 13,971 |
| O3 | Arts Council ♥ | 398,905 |
| P3 | Sport England ♥ | 133,163 |
| P3 | United Kingdom Sports Council ♥ | 50,551 |
| P3 | Football Licensing Authority ♥ | 1,321 |
| Q3 | English Heritage ♥ | 128,858 |
| Q3 | Churches Conversation Trust ♠ | 3,100 |
| Q3 | National Heritage Memorial Fund ♥ | 10,000 |
| Q3 | Commission for Architecture & the Built Environment ♥ | 4,690 |
| Q3 | Royal Household ♠ | 16,107 |
| R3 | Visit Britain ♥ | 47,900 |
| S3 | UK Film Council ♠ | 36,014 |
| T3 | National Lottery Commission ♥ | 6,339 |
| U3 | The Gambling Commission ♥ | 500 |
| V3 | Olympic Delivery Authority ♥ | 1,118,000 |

Notes to the Main Estimate (*continued*)

Contingent liabilities

| Nature of Liability | £'000 |
|---|-----------|
| British Library | 48,511 |
| British Museum | 650,354 |
| English Heritage | 117,891 |
| Geffrye Museum | 210 |
| Horniman Museum | 40 |
| Imperial War Museum | 17,638 |
| Museum of Science and Industry (Manchester) | 531 |
| National Gallery | 1,755,000 |
| National Maritime Museum | 38,000 |
| National Museums Liverpool | 399,000 |
| National Museum of Science and Industry | 121,533 |
| National Portrait Gallery | 203,350 |
| Natural History Museum | 24,651 |
| Royal Armouries | 115,408 |
| Sir John Soane Museum | 68 |
| South Bank Centre | 256,449 |
| Tate Gallery | 4,373,390 |
| Victoria and Albert Museum | 439,993 |
| Wallace Collection | 48,000 |
| Government Art Collection | 2,532 |

Department for Work and Pensions

Introduction

1. This Estimate provides for expenditure by the Department for Work and Pensions on non-contributory benefits, the Child Support Agency, the Child Maintenance and Enforcement Commission, Jobcentre Plus, Disability and Carers Service, The Pension Service, the Health and Safety Executive and the Health and Safety Laboratory, The Rent Service and the Vaccine Damage Scheme. It also provides for the cost of administration of benefit schemes in Great Britain, including the cost of other departments which act as agents of the Department for Work and Pensions in administering various aspects of social security including payments made to the Post Office and Girobank for encashments. Gross expenditure includes the costs incurred by the Department for Work and Pensions in administering contributory benefits which are payable from the National Insurance Fund. These are reimbursed from the National Insurance Fund with the receipts shown as appropriations in aid.

2. The Estimate also provides for Housing Benefit subsidies and Council Tax Benefit subsidies paid to local authorities, payments to and from the European Social Fund and payments to the National Insurance Fund which comprise of compensation in respect of Statutory Sick Pay and Statutory Maternity Pay. Also included are payments into the Social Fund which is used to award budgeting and crisis loans, community care grants, maternity and funeral expenses, heating costs in exceptionally cold weather and winter fuel payments. The Estimate also makes provision for sums payable to the BBC in respect of the over 75's Free TV licence scheme, the Pension Protection Fund, Remploy Limited and various executive Non-Departmental Public Bodies.

3. Details of the expenditure contained in this Estimate, and of expenditure incurred by the Social Fund, are included in the Departmental Report 2008.

4. Symbols are explained in the Introduction to this booklet.

Department for Work and Pensions

Part I

| | £ |
|--|-----------------------|
| Request for Resources 1: Ensuring the best start for all children and ending child poverty in 20 years † | 430,520,000 |
| Request for Resources 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need | 38,636,774,000 |
| Request for Resources 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners | 11,457,479,000 |
| Request for Resources 4: Improve the rights and opportunities for disabled people in a fair and inclusive society | 17,113,572,000 |
| Request for Resources 5: Corporate contracts and support services | 763,985,000 |
| Total net resource requirement | 68,402,330,000 |
| Net cash requirement | 68,626,283,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Department for Work and Pensions on:

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years

Child Support Agency; Child Maintenance and Enforcement Commission; and the administration and operating costs of the Department and associated non-cash items.

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Assessment of entitlement to, calculation and payment of social security benefits to people of working age in accordance with the prevailing legislation and regulations; employment and training programmes, and payments of appropriate allowances, to help people back to work; compensation payments to the National Insurance Fund in respect of Statutory Sick and Statutory Maternity Pay; Social Fund loans and grants; temporary subsidies to employers; Grants, Grants in Aid, loans, and other payments through other government departments and to private, public, and voluntary bodies, including Non-Departmental Public Bodies, promoting Department for Work and Pensions objectives; temporary loan facility to Remploy Ltd; assistance and advice on employment service and labour market issues to international organisations; research; publicity; subsidies to housing, billing, levying and local authorities for administering the Housing Benefit and Council Tax Benefit; rent rebate; rent allowance; Council Tax Benefit; discretionary housing payments; compensation for dust related diseases; The Rent Service Agency; the Health and Safety Executive and Health and Safety Laboratory; Work, Welfare and Equality Client group; payments for education; training and employment projects assisted by the European Union and refunds to the European Union; the UK subscription to the International Labour Organisation; international educational, training and employment programmes; measures to promote financial inclusion; and the administration and operating costs of the Department and associated non-cash items.

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Assessment of entitlement to, calculation and payment of, social security benefits to pensioners and to customers abroad in accordance with the prevailing legislation and regulations; Social Fund loans and grants; costs and payments associated with the collapse of private pension schemes; assist people to make plans for their retirement; research into pensions; private pensions industry regulatory work; programmes and new measures to help improve independence and social inclusion for older people; Grants, Grants in Aid, loans, and payments to private, public and voluntary bodies, including Non-Departmental Public Bodies, promoting Department for Work and Pensions objectives; payments made to the BBC in respect of over 75s free TV licence scheme; General Levy payments to the Pensions Regulator in respect of Public Sector Pension Schemes; and the administration and operating costs of the Department and associated non-cash items.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Assessment of entitlement to, calculation and payment of, social security benefits to people with disabilities and their carers in accordance with the prevailing legislation and regulations; Grants, Grant in Aid, loans, and other payments to private, public and voluntary bodies, including Non-Departmental Public Bodies, promoting Department for Work and Pensions objectives; and the administration and operating costs of the Department and associated non-cash items.

RfR 5: Corporate contracts and support services

Central services; measures to promote financial inclusion; collecting debt arising from overpayments of benefit and on behalf of other public and private sector bodies; and the administration and operating costs of the Department and associated non-cash items.

The **Department for Work and Pensions** will account for this Estimate.

† The spending under subhead B1 is subject to the Child Maintenance and Enforcement Commission Bill 2008, which has been laid before Parliament. The provision sought will not be used for the service or for any other purpose until the enabling legislation has been enacted.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-----------------------|------------------------------------|------------------------|
| RfR 1 | 430,520,000 | 391,000,000 | 39,520,000 |
| RfR 2 | 38,636,774,000 | 17,119,223,000 | 21,517,551,000 |
| RfR 3 | 11,457,479,000 | 4,770,164,000 | 6,687,315,000 |
| RfR 4 | 17,113,572,000 | 7,192,589,000 | 9,920,983,000 |
| RfR 5 | 763,985,000 | 467,721,000 | 296,264,000 |
| Total net resource requirement | 68,402,330,000 | 29,940,697,000 | 38,461,633,000 |
| Net cash requirement | 68,626,283,000 | 30,222,509,000 | 38,403,774,000 |

£

Part II: Subhead detail

£'000

| | | | | | | | | | | 2007-08 | 2006-07 |
|--|--|---------|-------------|------------|-----------|------------|----------------------|---------------------|---------------------|------------|---------|
| | | | | | | | | | | Provision | Outturn |
| 2008-09 Provision | | | | | | | | | | | |
| Resources | | | | | | Capital | | | | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-operating A in A | Net Total Resources | Net Total Resources | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 1: Ensuring the best start for all children and ending child poverty in 20 years | | | | | | | | | | | |
| | 432,688 | - | - | 432,688 | 2,168 | 430,520 | - | - | 554,470 | 492,283 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Administration | | | | | | | | | | |
| | 108,173 | - | - | 108,173 | 665 | 107,508 | - | - | 554,470 | 492,108 | |
| B | Child Maintenance and Enforcement Commission | | | | | | | | | | |
| | 324,515 | - | - | 324,515 | 1,503 | 323,012 | - | - | - | - | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| <i>Impairments</i> | | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - | 175 | |
| RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need | | | | | | | | | | | |
| | 3,499,096 | 964,043 | 35,909,483 | 40,372,622 | 1,735,848 | 38,636,774 | 25,250 | 370 | 38,681,095 | 36,926,211 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Administration | | | | | | | | | | |
| | 3,189,321 | 203,867 | 84,685 | 3,477,873 | 523,166 | 2,954,707 | 15,140 | - | 2,874,091 | 2,865,613 | |
| B | Employment Programmes | | | | | | | | | | |
| | - | 681,769 | 91,153 | 772,922 | - | 772,922 | - | - | 776,383 | 793,678 | |
| C | Health and Safety Executive | | | | | | | | | | |
| | 237,000 | 56,000 | - | 293,000 | 62,300 | 230,700 | 8,060 | 350 | 228,692 | 233,641 | |
| D | Health and Safety Laboratory | | | | | | | | | | |
| | 31,900 | 5,000 | - | 36,900 | 36,900 | - | 1,800 | 20 | - | -64 | |
| E | The Rent Service Executive Agency | | | | | | | | | | |
| | 40,875 | - | - | 40,875 | - | 40,875 | 250 | - | 37,293 | 35,725 | |
| F | European Social Fund and European Globalisation Fund | | | | | | | | | | |
| | - | - | 104,271 | 104,271 | 104,271 | - | - | - | - | - | |
| G | European Social Fund payments in advance of receipts | | | | | | | | | | |
| | - | 7,401 | 455,909 | 463,310 | 438,009 | 25,301 | - | - | 35,249 | 38,420 | |
| <i>Capital Grants</i> | | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | 5,927 | 5,102 | |

Part II: Subhead detail

£'000

| | | | | | | | | | | 2007-08 | 2006-07 |
|--|---|--------|-------------|-----------|-----------|---------|-----------|---|---|-----------|-----------|
| | | | | | | | | | | Provision | Outturn |
| | | | | | | | | | | 2008-09 | |
| | | | | | | | | | | Provision | |
| Resources | | | | | | Capital | | | | | |
| Admin | Other | Grants | Gross Total | A in A | Net Total | Capital | Non- | | | Net Total | Net Total |
| 1 | Current | 3 | 4 | 5 | 6 | 7 | operating | | | Resources | Resources |
| | 2 | | | | | | A in A | | | 9 | 10 |
| <i>Support for Local Authorities</i> | | | | | | | | | | | |
| H | Employment Programmes | - | - | 37,047 | 37,047 | - | 37,047 | - | - | 37,047 | 63,824 |
| I | Housing benefit and council tax benefit administration grants | - | - | 541,489 | 541,489 | - | 541,489 | - | - | 680,200 | 609,675 |
| J | European Social Fund | - | - | 2,290 | 2,290 | 2,290 | - | - | - | - | - |
| K | European Social Fund payments in advance of receipts | - | - | 18,430 | 18,430 | 18,430 | - | - | - | - | - |
| L | Area Based Grants | - | - | 30,243 | 30,243 | - | 30,243 | - | - | - | - |
| <i>Capital grants to Local Authorities</i> | | | | | | | | | | | |
| | | - | - | - | - | - | - | - | - | - | 5 |
| <i>Challenge funding and similar administrative measures - Local Authorities</i> | | | | | | | | | | | |
| | | - | - | - | - | - | - | - | - | - | 254 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| M | Severe Disablement Allowance | - | 483 | 877,785 | 878,268 | 290 | 877,978 | - | - | 904,573 | 904,036 |
| N | Industrial injury benefits | - | 423 | 846,144 | 846,567 | 28,416 | 818,151 | - | - | 807,145 | 792,936 |
| O | Income support (under 60 years of age) | - | 4,680 | 7,844,036 | 7,848,716 | 70,324 | 7,778,392 | - | - | 8,785,000 | 8,757,161 |
| P | Jobseekers allowance (income based) | - | 1,070 | 1,885,114 | 1,886,184 | 1,115 | 1,885,069 | - | - | 2,051,295 | 1,962,917 |
| Q | Jobseekers allowance (contribution based) | - | - | 450,337 | 450,337 | 450,337 | - | - | - | - | - |
| R | Job Grant | - | - | 49,458 | 49,458 | - | 49,458 | - | - | 47,936 | 40,278 |
| S | Employment allowances | - | - | 110,536 | 110,536 | - | 110,536 | - | - | 107,297 | 86,416 |
| T | Housing benefit and council tax benefit capital charge | - | 3,277 | - | 3,277 | - | 3,277 | - | - | 3,277 | -12,498 |
| U | Employment and Support Allowance non contributory | | | | | | | | | | |

Part II: Subhead detail

£'000

| | | | | | | | | | | 2007-08 | 2006-07 |
|--|---|---------|-------------|------------|------------|---------|----------------------|---------------------|---------------------|------------|------------|
| 2008-09 Provision | | | | | | | | | | Provision | Outturn |
| Resources | | | | | | Capital | | | | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-operating A in A | Net Total Resources | Net Total Resources | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| - | - | 180,375 | 180,375 | - | 180,375 | - | - | - | - | | |
| V | In Work Credit | - | 37 | 76,503 | 76,540 | - | 76,540 | - | - | - | - |
| W | Return to Work Credit | - | 36 | 71,984 | 72,020 | - | 72,020 | - | - | - | - |
| | <i>Non-continuing benefits debt activity</i> | - | - | - | - | - | - | - | - | - | 205 |
| | <i>Impairments</i> | - | - | - | - | - | - | - | - | - | 1,402 |
| Support for Local Authorities | | | | | | | | | | | |
| X | Housing benefit and council tax benefit subsidies | - | - | 15,075,592 | 15,075,592 | - | 15,075,592 | - | - | 14,143,852 | 13,108,544 |
| Y | Rent rebates | - | - | 5,182,521 | 5,182,521 | - | 5,182,521 | - | - | 5,419,560 | 5,236,939 |
| Z | Discretionary housing payments | - | - | 20,000 | 20,000 | - | 20,000 | - | - | 20,000 | 18,108 |
| Non-Budget | | | | | | | | | | | |
| AA | Statutory benefits (Statutory Sick Pay and Statutory Maternity Pay) | - | - | 1,869,894 | 1,869,894 | - | 1,869,894 | - | - | 1,712,065 | 1,381,235 |
| AB | Working Age (Grant-in-Aid) | - | - | 3,687 | 3,687 | - | 3,687 | - | - | 4,213 | 2,659 |
| RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners | | | | | | | | | | | |
| | | 625,825 | 34,744 | 11,211,345 | 11,871,914 | 414,435 | 11,457,479 | 36,374 | - | 15,875,685 | 11,023,647 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Administration | 625,825 | 30,685 | 2,630 | 659,140 | 414,435 | 244,705 | 13,682 | - | 287,717 | 287,297 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| B | Pension benefits | - | 341 | 61,466 | 61,807 | - | 61,807 | - | - | 5,134,036 | 776,801 |
| C | Income support for the elderly and Pension Credit | - | 3,718 | 7,504,736 | 7,508,454 | - | 7,508,454 | - | - | 7,403,054 | 6,958,419 |

Part II: Subhead detail

£'000

| | | | | | | | | | | 2007-08 | 2006-07 |
|--|--|----------------|--------------|-------------------|-------------------|---------------|-------------------|-----------|-----------|-------------------|-------------------|
| | | | | | | | | | | Provision | Outturn |
| | | | | | | | | | | | |
| | | | | | | | | | | 2008-09 | |
| | | | | | | | | | | Provision | |
| | | | | | | | | | | | |
| | | | | | | | | | | Resources | Capital |
| | | | | | | | | | | Non- | Net Total |
| | | | | | | | | | | operating | Resources |
| | | | | | | | | | | A in A | Net Total |
| | | | | | | | | | | Capital | Resources |
| | | | | | | | | | | A in A | |
| | | | | | | | | | | | |
| Admin | Other | Grants | Gross Total | A in A | Net Total | Capital | Non- | Net Total | Net Total | | |
| 1 | Current | 3 | 4 | 5 | 6 | 7 | operating | Resources | Resources | 9 | 10 |
| | 2 | | | | | | A in A | | | | |
| D | TV licences for the over 75s | - | 528,086 | 528,086 | - | 528,086 | - | - | 513,078 | 487,842 | |
| | <i>Impairments</i> | - | - | - | - | - | - | - | - | 435 | |
| Non-Budget | | | | | | | | | | | |
| E | Payments to the Social Fund | - | 3,057,943 | 3,057,943 | - | 3,057,943 | - | - | 2,496,283 | 2,481,236 | |
| F | Payments to Executive Non-Departmental Public Bodies | - | 56,484 | 56,484 | - | 56,484 | 22,692 | - | 41,517 | 31,617 | |
| RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society | | | | | | | | | | | |
| | | 228,619 | 7,850 | 16,901,256 | 17,137,725 | 24,153 | 17,113,572 | - | - | 16,450,094 | 15,029,111 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Administration | 228,619 | 101 | - | 228,720 | 101 | 228,619 | - | - | 254,939 | 512,463 |
| B | Motability administration | - | - | 2,652 | 2,652 | 634 | 2,018 | - | - | 2,800 | 2,809 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| C | Attendance allowance | - | 2,218 | 4,670,373 | 4,672,591 | 2,074 | 4,670,517 | - | - | 4,605,000 | 4,151,683 |
| D | Disability living allowance | - | 4,894 | 10,524,995 | 10,529,889 | 21,344 | 10,508,545 | - | - | 9,977,000 | 9,160,461 |
| E | Carer's allowance | - | 637 | 1,342,886 | 1,343,523 | - | 1,343,523 | - | - | 1,296,787 | 1,191,943 |
| F | Vaccine Damage payments | - | - | 600 | 600 | - | 600 | - | - | 500 | 389 |
| G | Grants to independent bodies | - | - | 16,750 | 16,750 | - | 16,750 | - | - | 12,029 | 9,305 |
| | <i>Impairments</i> | - | - | - | - | - | - | - | - | - | 58 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | | | 2007-08 Provision | 2006-07 Outturn | |
|--|--------------------------|-----------|-------------|------------|-----------|------------|-----------------------------|------------------------|------------------------|------------|
| Resources | | | | | | Capital | | Net Total Resources | Net Total Resources | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non- operating A in A | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| Non-Budget | | | | | | | | | | |
| H | Disability Grants in Aid | | | | | | | | | |
| | - | - | 343,000 | 343,000 | - | 343,000 | - | - | 301,039 | - |
| RfR 5: Corporate contracts and support services | | | | | | | | | | |
| | 1,004,408 | 66,240 | - | 1,070,648 | 306,663 | 763,985 | 36,143 | - | 826,886 | 750,201 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| A | Administration | | | | | | | | | |
| | 974,408 | 66,240 | - | 1,040,648 | 306,663 | 733,985 | 36,143 | - | 826,886 | 748,667 |
| B | Directgov | | | | | | | | | |
| | 30,000 | - | - | 30,000 | - | 30,000 | - | - | - | - |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| <i>Impairments</i> | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - | 1,534 |
| Total for Estimate: | | | | | | | | | | |
| | 5,790,636 | 1,072,877 | 64,022,084 | 70,885,597 | 2,483,267 | 68,402,330 | 97,767 | 370 | 72,388,230 | 64,221,453 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 68,402,330 | 72,388,230 | 64,221,453 |
| Voted capital items | | | |
| Capital | 97,767 | 102,550 | 197,875 |
| Less Non-operating A-in-A | 370 | 12,719 | 2,553 |
| Total net voted capital | 97,397 | 89,831 | 195,322 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -41,427 | -54,966 | -37,407 |
| Depreciation | -128,088 | -153,023 | -189,047 |
| New provisions and adjustments to previous provisions | -74,739 | -5,203,022 | -818,254 |
| Profit/loss on sale of assets | - | - | -11,124 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -6,263 | -1,074 | -24,963 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | 315,000 | 809,945 | -137,640 |
| Increase (-) / Decrease (+) in creditors | - | 520,000 | -373,392 |
| Use of provisions | 62,073 | 70,887 | 27,076 |
| Total accruals to cash adjustments | 126,556 | -4,011,253 | -1,564,751 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 68,626,283 | 68,466,808 | 62,852,024 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------------------|---------------------|------------------------------|---------------------|----------------------------|----------------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | 1,938 | <i>1,938</i> |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | 5,000 | <i>5,000</i> | 5,000 | <i>5,000</i> | 15,630 | <i>41,760</i> |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | 5,000 | <i>5,000</i> | 5,000 | <i>5,000</i> | 17,568 | <i>43,698</i> |

Forecast Operating Cost Statement

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|---------------------------------------|----------------------|----------------------|--------------------|
| Net Administration Costs | | | |
| RfR 1 | 430,520 | 545,673 | 489,702 |
| RfR 2 | 3,391,375 | 3,384,666 | 3,480,968 |
| RfR 3 | 622,941 | 652,565 | 662,662 |
| RfR 4 | 228,619 | 247,821 | 257,609 |
| RfR 5 | 969,082 | 984,235 | 973,815 |
| Non-voted | - | - | -1,938 |
| Total Net Administration costs | 5,642,537 | 5,814,960 | 5,862,818 |
| Net Programme Costs | | | |
| RfR 1 | - | 8,797 | 2,581 |
| RfR 2 | 35,245,399 | 35,296,429 | 33,445,243 |
| RfR 3 | 7,776,595 | 12,726,837 | 7,879,749 |
| RfR 4 | 16,884,953 | 16,202,273 | 14,771,502 |
| RfR 5 | -205,097 | -157,349 | -223,614 |
| Non-voted | 73,381,123 | 69,806,960 | 65,172,611 |
| Total Net Programme costs | 133,082,973 | 133,883,947 | 121,048,072 |
| Total Net Operating Cost | 138,725,510 | 139,698,907 | 126,910,890 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 68,402,330 | 72,388,230 | 64,221,453 |
| Non-voted expenditure | 73,381,123 | 69,806,960 | 65,172,611 |
| Consolidated Fund Extra Receipts | - | - | -1,938 |
| Resource Budget | 138,798,937 | 139,692,105 | 126,883,659 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 68,402,330 | 72,388,230 | 64,221,453 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | 73,381,123 | 69,806,960 | 65,172,611 |
| Consolidated Fund Extra Receipts in the OCS | - | - | -1,938 |
| Other adjustments | -3,057,943 | -2,496,283 | -2,481,236 |
| Net Operating Cost (Accounts) | 138,725,510 | 139,698,907 | 126,910,890 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -11,124 |
| Capital grants | -198 | -9,388 | -18,031 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | 23,625 | 1,676 | 1,676 |
| Unallocated resource provision | 50,000 | - | - |
| Other adjustments | - | 910 | 248 |
| Resource Budget (Budget) | 138,798,937 | 139,692,105 | 126,883,659 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 7,888,387 | 8,058,781 | 7,809,840 |
| Annually Managed Expenditure (AME) | 130,910,550 | 131,633,324 | 119,073,819 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 97,397 | 89,831 | 195,322 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | 426 | 891 | 1,518 |
| Capital grants | 198 | 9,388 | 18,031 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | 102,278 | 154,369 | 184,957 |
| Capital Budget (Budget) | 200,299 | 254,479 | 399,828 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 75,329 | 100,110 | 214,871 |
| Annually Managed Expenditure (AME) | 124,970 | 154,369 | 184,957 |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

| | |
|---------------------------------|---|
| Request for Resources 1: | Leigh Lewis, Permanent Head of Department |
| Request for Resources 2: | Leigh Lewis, Permanent Head of Department |
| Request for Resources 3: | Leigh Lewis, Permanent Head of Department |
| Request for Resources 4: | Leigh Lewis, Permanent Head of Department |
| Request for Resources 5: | Leigh Lewis, Permanent Head of Department |

Leigh Lewis as the Accounting Officer of the Department for Work and Pensions has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Work and Pensions.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Ensuring the best start for all children and ending child poverty in 20 years | | | |
| Administration | 2,168 | 2,166 | 178 |
| <i>of which:</i> | | | |
| Sale of goods and services | 2,168 | 2,166 | 178 |
| Programme | - | 26 | - |
| <i>of which:</i> | | | |
| Sale of goods and services | - | 26 | - |
| Total RfR 1 | 2,168† | 2,192 | 178 |
| † Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from staff for private telephone calls and the private use of official vehicles; receipts in respect of outward secondments; receipts from the sale of non-capital items; receipts from applicants for services provided by the Child Support Agency and Child Maintenance and Enforcement Commission, and receipts from the repayment of maintenance by non-resident parents, where the parent with care is in receipt of income support, reduced by the child maintenance premium paid directly to the parent with care; and services carried out on behalf of public and private sector bodies and members of the public. | | | |
| RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need | | | |
| Administration | 107,721 | 102,001 | 93,688 |
| <i>of which:</i> | | | |
| Sale of goods and services | 107,721 | 102,001 | 93,688 |
| Programme | 1,628,127 | 1,749,592 | 1,807,195 |
| <i>of which:</i> | | | |
| Sale of goods and services | 614,790 | 556,868 | 688,491 |
| EU Income | 563,000 | 630,001 | 643,836 |
| Other income (including receipts) | 450,337 | 562,723 | 474,868 |
| Total RfR 2 | 1,735,848† | 1,851,593 | 1,900,883 |
| † Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated cost of administering National Insurance benefits; receipts from staff for private telephone calls and private use of official vehicles; receipts in respect of outward secondments; receipts from the sale of non-capital items; receipts from match funded projects; receipts from Local Authorities for services provided to them by Departmental Action Teams, including Neighbourhood Renewal Funds, rent and similar receipts; receipts from outside bodies in respect of partnership working in New Deal for Community areas; receipts from the European Union for travel expenses and subsistence allowances incurred by staff on European Union business; receipts from partner organisations in respect of action teams; receipts from damages payable to recipients of Statutory Sick Pay; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; receipts from the Child Support Agency and Child Maintenance and Enforcement Commission of payments of maintenance from absent parents for parents with care who are in receipt of Income Support or Jobseekers Allowance (income based); receipts in respect of the functions of the Health and Safety Executive and Health and Safety Laboratory; receipts for the use of accommodation and rental income; receipts from property and land, sponsorship, including contributions from co-sponsors towards the costs of research and surveys carried out; receipts from the European Union to meet payments to Local Authorities and non-exchequer bodies for education and training and employment projects training assisted by the European Social Fund; receipts from the European Globalisation Fund; Joint International Unit administration receipts; National Employment Panel receipts; services carried out on behalf of public and private sector bodies and members of the public; proceeds from crime from Home Office in respect of benefit fraud and organised fraud; recovery from the European Union of the cost of work on European Employment Services and work undertaken on labour market issues in eastern Europe; recovery of excess payments made on Jobcentre Plus employment measures; recovery of the cost of administering allowance payments for work based learning for adults in Scotland and Wales; payments on return to work after a trade dispute made to people who would normally be excluded from Income Support because they are in full time work; payments made by liable relatives; payments from the Department for Children, Schools and Families and the Department for Innovation, Universities and Skills; | | | |

amounts collected through a court order or on a voluntary basis from relatives of income support claimants; repayment of Jobseekers Allowance (contribution based) from the National Insurance Fund; sales of land and buildings, water, stores, plant, equipment, machinery, and vehicles; contributions and recoveries from the European Union of costs of research and projects, legal claims, including awards of court costs and out of court settlements; contribution from Scotland and Wales towards employment programmes and Employment Zones; refunds of advance of salaries of staff; and repayment of loans; and refunds from Local Authorities of Housing Benefit reform Funding.

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

| | | | |
|-----------------------------------|-----------------|----------------|----------------|
| Administration | 2,884 | 10,911 | 5,317 |
| <i>of which:</i> | | | |
| Sale of goods and services | 2,884 | 10,911 | 5,317 |
| Programme | 411,551 | 418,049 | 409,756 |
| <i>of which:</i> | | | |
| Sale of goods and services | 392,185 | 399,909 | 399,745 |
| Other income (including receipts) | 19,366 | 18,140 | 10,011 |
| Total RfR 3 | 414,435† | 428,960 | 415,073 |

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated costs of administering National Insurance benefits, receipts in respect of outward secondments; receipts for levy funded bodies; receipts from staff for private telephone calls and the private use of official vehicles; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; and services carried out on behalf of public and private sector bodies and members of the public.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

| | | | |
|-----------------------------------|----------------|---------------|---------------|
| Administration | - | 54 | 568 |
| <i>of which:</i> | | | |
| Sale of goods and services | - | 54 | 568 |
| Programme | 24,153 | 25,357 | 28,124 |
| <i>of which:</i> | | | |
| Sale of goods and services | 24,153 | 25,197 | 28,124 |
| Other income (including receipts) | - | 160 | - |
| Total RfR 4 | 24,153† | 25,411 | 28,692 |

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts in respect of outward secondments; receipts from staff for private telephone calls and the private use of official vehicles; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; services carried out on behalf of public and private sector bodies and members of the public; recoveries of payments towards Motability costs.

RfR 5: Corporate contracts and support services

| | | | |
|----------------------------|-----------------|----------------|----------------|
| Administration | 35,326 | 35,962 | 29,321 |
| <i>of which:</i> | | | |
| Sale of goods and services | 35,326 | 35,962 | 29,321 |
| Programme | 271,337 | 276,871 | 279,501 |
| <i>of which:</i> | | | |
| Sale of goods and services | 271,331 | 276,871 | 279,380 |
| Interest and dividends | 6 | - | 121 |
| Total RfR 5 | 306,663† | 312,833 | 308,822 |

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated cost of administering National Insurance benefits, receipts in respect of outward secondments; receipts from staff for private telephone calls and the private use of official vehicles; receipts from sub-let accommodation; receipts from sale of non-capital items; receipts from Working Links, Working Links management fee and dividend; Early Departures pre-funding interest; services carried out on behalf of public and private sector bodies and members of the public including the provision of employee and financial services to a range of other Government Departments; recovery of law costs from defendants.

| | | | |
|-------------------------------|------------------|------------------|------------------|
| Total Operating A in A | 2,483,267 | 2,620,989 | 2,653,648 |
|-------------------------------|------------------|------------------|------------------|

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need | | | |
| Programme | 370 | 394 | 313 |
| <i>of which:</i> | | | |
| Sale of assets | 370 | 394 | 313 |
| Total RfR 2 | 370† | 394 | 313 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: receipts from the sales of obsolete machinery, equipment, official vehicles, furniture and buildings.</i> | | | |
| RfR 5: Corporate contracts and support services | | | |
| Programme | - | 12,325 | 2,240 |
| <i>of which:</i> | | | |
| Sale of assets | - | 12,325 | 2,240 |
| Total RfR 5 | - | 12,325 | 2,240 |
| Total Non-Operating A in A | 370 | 12,719 | 2,553 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|--------------|--------------|--------------|--------------|---------------|---------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Headquarters Accommodation Services • | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Other Amounts Collectable on Behalf of the Consolidated Fund • | - | - | - | - | 12,568 | 38,698 |
| Total | 5,000 | 5,000 | 5,000 | 5,000 | 17,568 | 43,698 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|------------------|------------------|------------------|
| | Voted | Non-voted | Total |
| Resource DEL | 6,302,933 | 1,585,454 | 7,888,387 |
| <i>of which:†</i> | | | |
| Administration budget | 5,642,537 | 50,000 | 5,692,537 |
| Near-cash in RDEL | 6,111,333 | 1,615,932 | 7,727,265 |
| Capital DEL†† | 74,903 | 426 | 75,329 |
| Less Depreciation††† | -128,088 | -1,595 | -129,683 |
| Total DEL | 6,249,748 | 1,584,285 | 7,834,033 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £68,402,330,000 is 5.5 per cent lower than the final net provision for 2007-08 of £72,388,230,000 and 3.6 per cent lower than the forecast outturn for 2007-08 of £70,926,400,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 2,483,637 | 2,633,708 | 2,656,201 |

Notes to the Main Estimate (*continued*)**Expenditure resting on the sole authority of the Appropriation Act**

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|--------------------|------------------------------------|--------------|
| RfR3 | Better Government for Older People | 600 |

Notes to the Main Estimate (*continued*)

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|--|---------|
| RfR2 | Working Ventures (UK) Limited ♥ | 3,687 |
| RfR3 | The Pensions Regulator ♥ | 27,262 |
| RfR3 | The Pensions Advisory Service ♥ | 3,124 |
| RfR3 | Office of the Pensions Ombudsman ♥ | 2,787 |
| RfR3 | Personal Accounts Delivery Authority ♥ | 23,311 |
| RfR4 | Independent Living Fund ♥ | 343,000 |
| | | 403,171 |

Notes to the Main Estimate (*continued*)

Contingent liabilities

| Nature of Liability | £'000 |
|---|----------------|
| Non-Statutory | |
| Child Support Agency Debt | |
| <p>The Agency operates a discretionary scheme for certain qualifying cases whereby a lump sum payment of arrears is made to a parent with care before that money is collected by the Agency from the non-resident parent. Entitlement to such a payment is neither automatic nor referred to in legislation. These payments are shown in the Accounts as advance payments of maintenance and interest payable and in 2006-07 £1.614 million (2005-06 £1.247 million) was charged. At 31 March 2007 a number of cases existed which may subsequently qualify under this scheme, giving rise to a potential liability. The amount of this liability is dependent on a number of factors, the outcome of which for each case is unable to be determined. For this reason no provision has been made in the Accounts. Any future potential liability is mitigated by the fact that this scheme can be withdrawn without notice.</p> | Unquantifiable |
| Remploy Limited | |
| <p>The Secretary of State for Work and Pensions has given formal guarantee in respect of Remploy Limited, an Executive Non-Departmental Public Body. In the event of Remploy Limited becoming insolvent, the Secretary of State has agreed to pay Remploy Limited a sum equal to any and all of its remaining debts i.e the excess of its liabilities over and above the proceeds from realisation of its assets. In addition to this guarantee over Remploy's net liabilities the Department also guarantees to cover any shortfall in its pension provision.</p> | Unquantifiable |
| Better Government for Older People (BGOP) | |
| <p>This is an initiative which is funded by several consortium partners with the Department for Work and Pensions (DWP) providing the largest proportion of funds by way of Grant-in-Aid. Since BGOP has no legal identity, the usual 'Financial Memorandum' is replaced by a 'Consortium Agreement' that has Treasury approval. But in addition to the funding which the DWP provides, we have also agreed to indemnify Help the Aged, the host organisation, against any losses arising from BGOP activity to the sum of £1 million in any one year and, as the 'Consortium Agreement' year runs from October to September, £2 million in totality.</p> | 2,000 |
| European Social Fund (ESF) Repayments | |
| <p>The Department has a potential liability in respect of ineligible claims for ESF programmes that operated during 1994-99 and 2000-06. The Department anticipates it will be able to claim from the European Commission expenditure of £19m already paid to ESF projects, and this amount has been provided for in these accounts.</p> | Unquantifiable |

An additional liability could arise in 2009 at the closure of the 2000-06 ESF programme when the ESF Audit Authority is required to produce a closure statement for each ESF programme. There is a risk that any adverse opinions might result in the European Commission imposing financial corrections. At present there is uncertainty as to the amount of any potential liability. This means a provision cannot be justified at this stage.

Financial Assistance Scheme

In December 2007, the Government announced its intention for the Financial Assistance Scheme to take over payments of some fully funded pensions and other associated benefits in qualifying schemes and in return, to take the assets of those pension schemes into Government (the FAS Review of Assets estimated the value of these assets to be £1.7bn). Regulations to give effect to this are planned for later this year to come into force early 2009. As a result, the liabilities associated with the Financial Assistance Scheme will increase, however we have not yet made a provision for this increase as the implementing legislation is not yet in place. 1,700,000

Employment Tribunals

The Health and Safety Executive (HSE) is currently defending two equal-pay cases. In the first case, in October 2003, HSE successfully appealed at an Employment Appeal Tribunal against an Employment Tribunal decision handed down in July 2002. That appeal was subjected to cross appeal and in October 2004 the Court of Appeal referred a point of law to the European Court of Justice (ECJ). The ECJ judgement was handed down in October 2006, following which the Court of Appeal remitted the case back to the Employment Tribunal for a rehearing. No date has yet been fixed for this rehearing. Unquantifiable

Meanwhile, the second case that had stayed before the Employment Appeal Tribunal pending the outcome of the case above was remitted to an employment tribunal by the ECJ. The employment tribunal applying the earlier ECJ decision found in HSE's favour. The claimant has now appealed to the Employment Appeal Tribunal. No date has yet been fixed for this hearing.

HSE is defending a claim for compensation brought by a small number of staff which alleges that HSE is in breach of contract and that those breaches are ongoing. The basis of their claim is that in 2004 HSE imposed a new pay system without their agreement, which financially disadvantaged them. This claim was successfully defended by HSE at Leeds Employment Tribunal in June 2007.

Health and Safety Laboratories (HSL)

Towards the end of the 2005-06 financial year, both HSL and a main contractor engaged by HSL, received claims alleging that injuries had been incurred by an employee of a sub-contractor engaged by the main contractor to work on HSL's site at Buxton. The matter remains the subject of both a police investigation and a HSE investigation. The parties to the civil action have agreed that the action remain in abeyance until the criminal issues have been resolved. The criminal investigation is ongoing. Unquantifiable

Vaccine Damage Payments

Important changes to the Vaccine Damage Payments Scheme have been introduced. The level of disablement that is defined as severe has been reduced from 80% to 60 % and the period of time during which a claim can be made has been extended. Unquantifiable

These changes mean that some people who have been disallowed in the past may be able to make another claim under these new rules. These further claims had to be received by 16 June 2005. All of the 389 claims received by this deadline were rejected. As they carry appeal rights there is no time limit for requesting a Vaccine Damage Appeal and it can be 10 years or more before they decide to go ahead. It is not currently possible to estimate the value or success of these claims and so no provision has been made in these accounts.

Deficiency Notices

Deficiency notices were not sent out for the tax years 1996-97 to 2001-02. Her Majesty's Revenue and Customs (formerly Inland Revenue) has contacted customers of working age. Between September 2004 and September 2005, The Pension Service contacted 414,427 pensioner customers affected by the suspension of deficiency notices. Customers who reached State Pension age between 6 April 1998 and 24 October 2004 (inclusive) were invited to consider paying voluntary contributions to provide them with the opportunity to improve their basic State pension or qualify for one for the first time. 11,000

As at March 2006, State Pension arrears of £76.2 million had been paid out in relation to the pensioner exercise, plus interest of £3.0 million. The administrative cost of the project to this date has been £31.3 million.

The estimated further cost of State Pension arrears to be paid during the remainder of the exercise is £8.5 million plus interest of £0.6 million, with a further administrative cost estimated at around £1.9 million, contingent upon contact from customers.

The Rent Service

There is a legal claim against The Rent Service, the outcome of which cannot at present be stated with certainty. This claim has not been settled. A cost of £168,000 has been estimated based on previous experience of similar claims. A cost of £70,000 has also been estimated for two pending Employment Tribunal cases. These costs have not been provided for in the financial statements. 238

Employee Assistance Programme

The Department has a potential liability in respect of tax on 'legal advice' provided by the Employee Assistance Programme (EAP). This potential liability has arisen as a result of a Statutory Instrument introduced in August 2000. Although 'legal advice' forms a small part of the EAP services the rules state that where any part of an EAP service provides 'legal advice' the whole of that service is liable for tax. The Employee Assistance Professional Association are challenging HM Revenue and Customs policy and interpretation of 'legal advice' on the basis that it provides clear employer benefit as it is an essential part of the employer's resources for maintaining the well being of its employees. The Department has entered into discussions with HMRC. It is currently not possible to estimate the value of this liability so no provision has been made in these accounts. Unquantifiable

Pneumoconiosis Payments

Jobcentre Plus are accountable for compensation payments in relation to pneumoconiosis. Unquantifiable

Compensation payments are made under the workers' Pneumoconiosis Compensation Payments Scheme which is intended to compensate those suffering from certain dust diseases where they are unable to claim compensation by way of civil action in the courts. Award of Industrial Injuries Disablement Benefit is a precondition for payments to all sufferers and most dependants. The payment amounts and the number of years for which they will continue are unclear. No reliable estimate of the financial effect can therefore be given.

Notes to the Main Estimate (*continued*)

Staff Benefits

For the financial year 2008-09 budget holders have delegated authority to award gift vouchers to staff under the terms of our Special Bonus Scheme. The Vouchers are for a range of well known retail outlets and are given in recognition of valuable or exceptional contributions to business performance. Individual awards will not exceed £50 and they will not in total exceed 0.25% of the Department's pay bill. In practice the total expenditure is likely to be less than £2million.

Budget holders have delegated authority to provide staff with childcare assistance. This includes provision of on site facilities and contributions to the cost of private childcare made either directly to the employee or to the childcare provider. The availability, method and amount of assistance is at the discretion of the budget holder.

Government Equalities Office

Introduction

1. This Estimate provides for expenditure by the Government Equalities Office on the development of policies relating to equality and gender, including the Minister for Women's priorities and policy on sexual orientation. It also provides for co-ordination on equality work across Government and for integrating work on race and religion or belief into the overall equality framework. This Estimate also provides funding for the Commission for Equality and Human Rights, a Non-Departmental Public Body which champions equality and human rights, and the Women's National Commission an independent advisory body giving the views of women to the Government.

2. Further information on the Government Equalities Office's activities may be found in the departmental annual report 2008.

3. Symbols are explained in the Introduction to this booklet.

Government Equalities Office

Part I

| | £ |
|--|-------------------|
| Request for Resources 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential. | 85,005,000 |
| Total net resource requirement | 85,005,000 |
| Net cash requirement | 85,005,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Government Equalities Office on:

RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.

Work on gender and wider equalities policy, grant in aid to the Commission for Equality and Human Rights (CEHR); and grants and payments associated with gender and wider equality policy; programme expenditure on the Women's National Commission and the administration costs of the Office; and other associated non-cash costs.

The **Government Equalities Office** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-------------------|------------------------------------|------------------------|
| RfR 1 | 85,005,000 | 26,884,000 | 58,121,000 |
| Total net resource requirement | 85,005,000 | 26,884,000 | 58,121,000 |
| Net cash requirement | 85,005,000 | 26,884,000 | 58,121,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | | 2007-08 Provision | 2006-07 Outturn | |
|--|------------------------------------|--------|-------------|--------|-----------|---------|----------------------|--------------------|-----------|
| Resources | | | | | | Capital | Non-operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential. | | | | | | | | | |
| 4,085 | 9,920 | 71,000 | 85,005 | - | 85,005 | - | - | 109,233 | 59,417 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Administration | | | | | | | | |
| 4,085 | 9,920 | - | 14,005 | - | 14,005 | - | - | 11,933 | 9,912 |
| | <i>European Funded Initiatives</i> | | | | | | | | |
| - | - | - | - | - | - | - | - | 500 | - |
| Non-Budget | | | | | | | | | |
| B | Payments to NDPBs | | | | | | | | |
| - | - | 71,000 | 71,000 | - | 71,000 | - | - | 96,800 | 49,505 |
| Total for Estimate: | | | | | | | | | |
| 4,085 | 9,920 | 71,000 | 85,005 | - | 85,005 | - | - | 109,233 | 59,417 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 85,005 | 109,233 | 59,417 |
| Voted capital items | | | |
| Capital | - | - | - |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | - | - | - |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | - | - | - |
| Depreciation | - | - | - |
| New provisions and adjustments to previous provisions | - | - | - |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | - |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | - | - |
| Use of provisions | - | - | - |
| Total accruals to cash adjustments | - | - | - |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 85,005 | 109,233 | 59,417 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 4,085 | 6,128 | 3,457 |
| Total Net Administration costs | 4,085 | 6,128 | 3,457 |
| Net Programme Costs | | | |
| RfR 1 | 80,920 | 103,105 | 55,960 |
| Total Net Programme costs | 80,920 | 103,105 | 55,960 |
| Total Net Operating Cost | 85,005 | 109,233 | 59,417 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 85,005 | 109,233 | 59,417 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 77,166 | 89,482 | 60,001 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 85,005 | 109,233 | 59,417 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 85,005 | 109,233 | 59,417 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | -224 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | -7,839 | -19,751 | 808 |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 77,166 | 89,482 | 60,001 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 77,166 | 89,482 | 60,001 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | 7,000 | 7,175 | 328 |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 7,000 | 7,175 | 328 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 7,000 | 7,175 | 328 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Jonathan Rees, Permanent Head of Department

Jonathan Rees as the Accounting Officer of the Government Equalities Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Government Equalities Office.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential. | | | |
| Programme | - | 350 | - |
| <i>of which:</i> | | | |
| EU Income | - | 350 | - |
| Total RfR 1 | - | 350 | - |
| Total Operating A in A | - | 350 | - |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|----------------------------------|--------|-----------|--------|
| | Voted | Non-voted | Total |
| Resource DEL | 14,005 | 63,161 | 77,166 |
| <i>of which:</i> [†] | | | |
| Administration budget | 4,085 | - | 4,085 |
| Near-cash in RDEL | 14,005 | 62,773 | 76,778 |
| Capital DEL ^{††} | - | 7,000 | 7,000 |
| Less Depreciation ^{†††} | - | -564 | -564 |
| Total DEL | 14,005 | 69,597 | 83,602 |

[†] The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

^{††} Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

^{†††} Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £85,005,000 is 22.2 per cent lower than the final net provision for 2007-08 of £109,233,000 and 10.0 per cent lower than the forecast outturn for 2007-08 of £94,499,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | - | 350 | - |

Notes to the Main Estimate (*continued*)**Grants in aid**

| RfR/Section | Body | £'000 |
|--------------------|--|--------------|
| RFR1 | Commission for Equality and Human Rights ♥ | 71,000 |

Northern Ireland Office

Introduction

1. This Estimate provides for the salaries of the Secretary of State for Northern Ireland and his Ministers and for the administration of the Northern Ireland Office in pursuit of its objectives as reflected in its Public Service Agreement (PSA).
2. It provides for the implementation of the Good Friday Agreement; the support and development of the criminal justice system; the enforcement of law (excluding army costs); and the maintenance of a secure and humane prison system.
3. Expenditure of £10,278,001,000 in RfR2 represents a grant to the Northern Ireland Consolidated Fund and transfers of European Union funds and is classified as 'Non-budget'.
4. Further information can be found in the Northern Ireland Office Departmental Report 2008.
5. Symbols are explained in the Introduction to this booklet.

Northern Ireland Office

Part I

£

| | |
|---|-----------------------|
| Request for Resources 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending | 1,206,634,000 |
| Request for Resources 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000. | 10,278,001,000 |
| Total net resource requirement | 11,484,635,000 |
| Net cash requirement | 11,502,899,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Northern Ireland Office on:

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

expenditure on central administrative services; expenditure on Head of State related costs; VIP visits to Northern Ireland; the Bloody Sunday Inquiry; Reviews and Commissions arising from the Good Friday Agreement; expenditure on political development and inquiries; expenditure on Victims of the Troubles; expenditure arising from the Northern Ireland Act 1998 and Northern Ireland Act 2000; expenditure arising from elections; forensic services; services related to crime; criminal justice including juvenile justice services; probation and after-care; state pathology; Crown prosecutions and other legal services; compensation schemes; European Union peace and reconciliation projects; and certain other grants; implementation of the Independent Commission on Police findings; security; the Police Ombudsman; Access Northern Ireland; the Independent Assessor of Military Complaints Procedures in Northern Ireland; the Parades Commission; arms decommissioning; policing; prisons including the Prison Service Trust and the Prisoner Ombudsman; the Northern Ireland Law Commission and associated non-cash items.

RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000.

grants to the Northern Ireland Consolidated Fund and transfers of EU funds.

The **Northern Ireland Office** will account for this Estimate.

£

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-----------------------|---------------------------------|------------------------|
| RfR 1 | 1,206,634,000 | 508,284,000 | 698,350,000 |
| RfR 2 | 10,278,001,000 | 4,650,300,000 | 5,627,701,000 |
| Total net resource requirement | 11,484,635,000 | 5,158,584,000 | 6,326,051,000 |
| | | | |
| Net cash requirement | 11,502,899,000 | 5,170,112,000 | 6,332,787,000 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|---|-------------|------------------|-------------|----------------|------------------------------|----------------------|------------------------|------------------------|-----------|----|
| 2008-09 Provision | | | | | | | 2007-08 Provision | 2006-07 Outturn | | | |
| Resources | | | | | | Capital Non- operating | | Net Total Resources | Net Total Resources | | |
| Admin 1 | Other Current 2 | Grants 3 | Gross Total 4 | A in A 5 | Net Total 6 | Capital 7 | A in A 8 | | | | |
| | | | | | | | | | | 9 | 10 |
| RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending | | | | | | | | | | | |
| | 91,440 | 207,760 | 923,019 | 1,222,219 | 15,585 | 1,206,634 | 28,137 | - | 1,308,007 | 1,237,551 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Central Administration | | | | | | | | | | |
| | 41,459 | 14,240 | - | 55,699 | 3,395 | 52,304 | 4,415 | - | 49,442 | 32,565 | |
| B | Ministers | | | | | | | | | | |
| | 3,176 | - | - | 3,176 | - | 3,176 | - | - | 2,788 | 3,849 | |
| C | Political Directorate | | | | | | | | | | |
| | 3,983 | 5,076 | - | 9,059 | 230 | 8,829 | 77 | - | 35,376 | 31,702 | |
| D | Department of the Director of Public Prosecutions | | | | | | | | | | |
| | 2,854 | 28,682 | - | 31,536 | 86 | 31,450 | 270 | - | 36,174 | 34,626 | |
| E | Forensic Science Northern Ireland | | | | | | | | | | |
| | 11,163 | - | - | 11,163 | 10,624 | 539 | 2,347 | - | 1,927 | 1,215 | |
| F | Criminal Justice | | | | | | | | | | |
| | 6,235 | 12,604 | 3,150 | 21,989 | - | 21,989 | 7,114 | - | 30,453 | 25,766 | |
| G | Compensation Agency | | | | | | | | | | |
| | - | 3,747 | 24,071 | 27,818 | 210 | 27,608 | 150 | - | 56,330 | 28,184 | |
| H | Policing & Security | | | | | | | | | | |
| | 6,045 | 9,231 | 2,175 | 17,451 | 810 | 16,641 | 54 | - | 13,696 | 16,486 | |
| I | Policing-Non Severance | | | | | | | | | | |
| | - | 150 | 1,950 | 2,100 | - | 2,100 | - | - | 2,159 | 2,342 | |
| J | Northern Ireland Prison Service | | | | | | | | | | |
| | 16,425 | 116,078 | 290 | 132,793 | 200 | 132,593 | 13,510 | - | 135,045 | 135,250 | |
| K | Youth Justice Agency | | | | | | | | | | |
| | - | 17,452 | - | 17,452 | 30 | 17,422 | 200 | - | 22,196 | 25,803 | |
| L | Bloody Sunday | | | | | | | | | | |
| | 100 | 500 | - | 600 | - | 600 | - | - | 4,580 | 6,234 | |
| Non-Budget | | | | | | | | | | | |
| M | Police | | | | | | | | | | |
| | - | - | 775,516 | 775,516 | - | 775,516 | - | - | 809,829 | 808,668 | |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|--|--|--------|-------------|------------|------------|------------------------------|----------------------|------------------------|------------------------|------------|------------|
| 2008-09 Provision | | | | | | | 2007-08 Provision | 2006-07 Outturn | | | |
| Resources | | | | | | Capital Non- operating | | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| N | Police Pensions | - | - | 82,600 | 82,600 | - | 82,600 | - | - | 71,759 | 50,341 |
| O | Police Ombudsman for Northern Ireland | - | - | 7,706 | 7,706 | - | 7,706 | - | - | 8,726 | 8,689 |
| P | Probation Board for Northern Ireland | - | - | 14,186 | 14,186 | - | 14,186 | - | - | 15,767 | 15,314 |
| Q | Northern Ireland Policing Board | - | - | 8,341 | 8,341 | - | 8,341 | - | - | 8,774 | 7,892 |
| R | Northern Ireland Human Rights Commission | - | - | 1,547 | 1,547 | - | 1,547 | - | - | 1,680 | 1,475 |
| S | Criminal Justice Inspectorate | - | - | 1,487 | 1,487 | - | 1,487 | - | - | 1,306 | 1,150 |
| RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000. | | | | | | | | | | | |
| | | - | - | 10,278,001 | 10,278,001 | - | 10,278,001 | - | - | 10,334,001 | 9,517,500 |
| Non-Budget | | | | | | | | | | | |
| A | Grants to the Northern Ireland Consolidated Fund | - | - | 10,278,000 | 10,278,000 | - | 10,278,000 | - | - | 10,334,000 | 9,517,500 |
| B | European Institutions (Net) | - | - | 1 | 1 | - | 1 | - | - | 1 | - |
| Total for Estimate: | | | | | | | | | | | |
| | | 91,440 | 207,760 | 11,201,020 | 11,500,220 | 15,585 | 11,484,635 | 28,137 | - | 11,642,008 | 10,755,051 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 11,484,635 | 11,642,008 | 10,755,051 |
| Voted capital items | | | |
| Capital | 28,137 | 101,825 | 33,204 |
| Less Non-operating A-in-A | - | 68,561 | 1,300 |
| Total net voted capital | 28,137 | 33,264 | 31,904 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | - | -9,087 | -9,835 |
| Depreciation | -38,526 | -18,018 | -22,512 |
| New provisions and adjustments to previous provisions | -24,071 | -48,996 | -30,623 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | -1,433 | -997 |
| Increase (+) / Decrease (-) in stock | - | -13 | - |
| Increase (+) / Decrease (-) in debtors | - | -1,499 | -1,111 |
| Increase (-) / Decrease (+) in creditors | - | -200 | 4,907 |
| Use of provisions | 52,724 | 60,424 | 45,365 |
| Total accruals to cash adjustments | -9,873 | -18,822 | -14,806 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 11,502,899 | 11,656,450 | 10,772,149 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | - | - |
| Non-operating income not classified as A in A | - | - | - | - | 728 | 670 |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | - | - | 728 | 670 |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 77,139 | 81,753 | 78,766 |
| RfR 2 | - | - | - |
| Total Net Administration costs | 77,139 | 81,753 | 78,766 |
| Net Programme Costs | | | |
| RfR 1 | 1,129,495 | 1,226,254 | 1,158,785 |
| RfR 2 | 10,278,001 | 10,334,001 | 9,517,500 |
| Total Net Programme costs | 11,407,496 | 11,560,255 | 10,676,285 |
| Total Net Operating Cost | 11,484,635 | 11,642,008 | 10,755,051 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 11,484,635 | 11,642,008 | 10,755,051 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 1,472,034 | 1,621,078 | 1,438,486 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 11,484,635 | 11,642,008 | 10,755,051 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 11,484,635 | 11,642,008 | 10,755,051 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | -10,278,001 | -10,334,001 | -9,517,500 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | 265,400 | 313,071 | 200,935 |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 1,472,034 | 1,621,078 | 1,438,486 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1,206,822 | 1,384,636 | 1,224,494 |
| Annually Managed Expenditure (AME) | 265,212 | 236,442 | 213,992 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 28,137 | 33,264 | 31,904 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | 43,766 | 38,674 | 37,525 |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 71,903 | 71,938 | 69,429 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 71,903 | 71,938 | 69,429 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

Request for Resources 1: Jonathan Phillips, Permanent Secretary of the Northern Ireland Office

Request for Resources 2: Jonathan Phillips, Permanent Secretary of the Northern Ireland Office

Jonathan Phillips as the Accounting Officer of the Northern Ireland Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Northern Ireland Office.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending | | | |
| Administration | 14,301 | 13,082 | 12,091 |
| <i>of which:</i> | | | |
| Sale of goods and services | 14,301 | 13,082 | 12,091 |
| Programme | 1,284 | 1,479 | 1,277 |
| <i>of which:</i> | | | |
| Sale of goods and services | 1,284 | 1,479 | 1,277 |
| Total RfR 1 | 15,585† | 14,561 | 13,368 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: recoupment of electoral expenses, shared accommodation costs, receipts from the use of video conference facilities, certain pension contributions, receipts from accruing superannuation liability charges, fees and costs recovered or received for work done for other departments, freedom of information receipts, data protection act receipts; recovery of compensation paid, recoupment of grant funding, recovery of costs associated with supplying forensic science services, costs and fees awarded in favour of the crown, receipts arising from arms decommissioning, proceeds of prison occupational services, sale of surplus stores and catering equipment, creche fees, contributions to community programmes from health and voluntary sectors, dividend interest and tuck shop receipts.</i> | | | |
| Total Operating A in A | 15,585 | 14,561 | 13,368 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending | | | |
| Programme | - | 68,561 | 1,300 |
| <i>of which:</i> | | | |
| Sale of assets | - | 68,561 | 1,300 |
| Total RfR 1 | - | 68,561 | 1,300 |
| Total Non-Operating A in A | - | 68,561 | 1,300 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Non-operating income and receipts - Excess Appropriations • | | | | | 429 | 429 |
| Income received relating to prior years • | | | | | 299 | 241 |
| Total | - | - | - | - | 728 | 670 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|---------|-----------|-----------|
| | Voted | Non-voted | Total |
| Resource DEL | 315,251 | 891,571 | 1,206,822 |
| <i>of which: †</i> | | | |
| Administration budget | 77,139 | - | 77,139 |
| Near-cash in RDEL | 252,654 | 675,212 | 927,866 |
| Capital DEL †† | 28,137 | 43,766 | 71,903 |
| Less Depreciation ††† | -38,526 | -56,224 | -94,750 |
| Total DEL | 304,862 | 879,113 | 1,183,975 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £11,484,635,000 is 1.4 per cent lower than the final net provision for 2007-08 of £11,642,008,000 and 1.1 per cent lower than the forecast outturn for 2007-08 of £11,611,387,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 15,585 | 83,122 | 14,668 |

Notes to the Main Estimate (*continued*)**Expenditure resting on the sole authority of the Appropriation Act**

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|--------------------|----------------------|--------------|
| RfR 1 J | Prison Service Trust | 230 |

HM Treasury

Introduction

1. This Estimate covers the administration costs and other related costs of the core Treasury, the Debt Management Office (DMO) and the Office of Government Commerce (OGC).
2. Request for Resources (RfR) 1 includes the core Treasury and DMO, costs of group shared services, cost of capital charges on the Treasury's investment in the Bank of England and the investment in and refinancing costs of Northern Rock.
3. RfR 2 covers payments to the Royal Mint for the manufacture, storage and distribution of UK coins, which are supplied to banks on behalf of the Treasury, and cost of capital charges on the Treasury's investment in the Royal Mint.
4. RfR 3 covers the expenditure of the OGC, including management and disposal of surplus civil estate, and associated non-cash items.
5. Further information can be found in HM Treasury's Annual Report and Accounts.
6. Symbols are explained in the Introduction to this booklet

HM Treasury

Part I

| | £ |
|---|-----------------------|
| Request for Resources 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all | 236,130,000 |
| Request for Resources 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage | 53,050,000 |
| Request for Resources 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis | 25,758,000 |
| Total net resource requirement | 314,938,000 |
| Net cash requirement | 14,220,713,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the HM Treasury on:

RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all

Economic, financial and related administration, including group shared services; expenses in connection with honours and dignities; expenditure of the Debt Management Office, including administration of carbon dioxide emission reduction schemes; expenditure on a pilot scheme in connection with the provision of generic financial advice; payments under an indemnity guarantee in respect of Paymaster; expenditure on administration of Treasury related bodies; compensation payments arising from gilt administration; cost of capital charges on the Treasury's investment in the Bank of England; payments to other government departments; costs and income related to investment in and financial assistance to Northern Rock; and associated non-cash items.

RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage

Manufacture, storage and distribution of coinage for use in the United Kingdom, actions to protect the integrity of coinage, and associated non-cash items.

RfR 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis

Administration and other related costs of the Office of Government Commerce and OGC buying solutions, management and disposal of surplus civil estate, costs and income from investment and loans to OGC buying solutions and associated non-cash items.

HM Treasury will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-----------------------|------------------------------------|------------------------|
| RfR 1 | 236,130,000 | 105,545,000 | 130,585,000 |
| RfR 2 | 53,050,000 | 23,400,000 | 29,650,000 |
| RfR 3 | 25,758,000 | 12,211,000 | 13,547,000 |
| Total net resource requirement | 314,938,000 | 141,156,000 | 173,782,000 |
| Net cash requirement | 14,220,713,000 | 104,846,000 | 14,115,867,000 |

Part II: Subhead detail

£'000

| | | | | | | | | 2007-08 | 2006-07 |
|---|---|--------|-------------|--------|-----------|------------|---------------|-----------|-----------|
| 2008-09 | | | | | | | | Provision | Outturn |
| Provision | | | | | | | | | |
| Resources | | | | | | Capital | | | |
| Admin | Other | Grants | Gross Total | A in A | Net Total | Capital | Non-operating | Net Total | Net Total |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | A in A | Resources | Resources |
| | | | | | | | 8 | 9 | 10 |
| RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all | | | | | | | | | |
| 146,032 | 11,681 | 95,540 | 253,253 | 17,123 | 236,130 | 14,004,800 | - | 237,257 | 217,364 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Core Treasury and group shared services | | | | | | | | |
| 132,879 | 8,681 | - | 141,560 | 12,142 | 129,418 | 4,200 | - | 143,436 | 124,591 |
| B | Debt Management Office | | | | | | | | |
| 13,153 | 3,000 | - | 16,153 | 4,981 | 11,172 | 600 | - | 10,740 | 7,443 |
| <i>Statistics Commission and Statistics Board</i> | | | | | | | | | |
| - | - | - | - | - | - | - | - | 1,656 | 1,350 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| C | Investment in Bank of England | | | | | | | | |
| - | - | 95,540 | 95,540 | - | 95,540 | - | - | 95,250 | 83,980 |
| D | Refinancing of Northern Rock | | | | | | | | |
| - | - | - | - | - | - | 14,000,000 | - | - | - |
| <i>Impairment reversal of fixed assets</i> | | | | | | | | | |
| - | - | - | - | - | - | - | - | -13,825 | - |
| RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage | | | | | | | | | |
| 250 | 48,675 | 4,125 | 53,050 | - | 53,050 | - | - | 55,074 | 44,153 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | UK coinage: manufacturing costs | | | | | | | | |
| - | 20,300 | - | 20,300 | - | 20,300 | - | - | 18,478 | 19,126 |
| B | Cost of capital charge on coinage stock - manufacturing element | | | | | | | | |
| 250 | - | - | 250 | - | 250 | - | - | 103 | - |
| <i>Coinage revisions - awareness campaign</i> | | | | | | | | | |
| - | - | - | - | - | - | - | - | 600 | - |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | | |
|--|---|--------|-------------|---------|-----------|----------------------|--------------------|-----------|-----------|---------|
| Resources | | | | | | Capital | Non-operating | Net Total | Net Total | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| C | UK coinage: investment in the Royal Mint | - | - | 4,125 | 4,125 | - | - | 4,600 | 1,582 | |
| D | UK coinage: metal costs | - | 28,000 | - | 28,000 | - | - | 31,000 | 23,445 | |
| E | Cost of Capital charge on coinage stock - metal costs | - | 375 | - | 375 | - | - | 293 | - | |
| RfR 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis | | | | | | | | | | |
| | 29,000 | 458 | 100 | 29,558 | 3,800 | 25,758 | - | 35,629 | 32,588 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | |
| A | Office of Government Commerce | 29,000 | 458 | 100 | 29,558 | 3,800 | 25,758 | - | 35,629 | 32,588 |
| Total for Estimate: | | | | | | | | | | |
| | 175,282 | 60,814 | 99,765 | 335,861 | 20,923 | 314,938 | 14,004,800 | - | 327,960 | 294,105 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 314,938 | 327,960 | 294,105 |
| Voted capital items | | | |
| Capital | 14,004,800 | 7,200 | 2,375 |
| Less Non-operating A-in-A | - | - | 1,387 |
| Total net voted capital | 14,004,800 | 7,200 | 988 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -99,815 | -99,945 | -85,554 |
| Depreciation | -9,190 | 4,213 | -9,400 |
| New provisions and adjustments to previous provisions | -860 | -2,688 | -4,364 |
| Profit/loss on sale of assets | - | -3,400 | 1,387 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -60 | -60 | -137 |
| Increase (+) / Decrease (-) in stock | - | 8,000 | - |
| Increase (+) / Decrease (-) in debtors | - | - | 2,391 |
| Increase (-) / Decrease (+) in creditors | - | - | 5,473 |
| Use of provisions | 10,900 | 13,788 | 2,573 |
| Total accruals to cash adjustments | -99,025 | -80,092 | -87,631 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 14,220,713 | 255,068 | 207,462 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|----------------------|------------------|----------------------|----------------|----------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | 70,000 | <i>45,000</i> | 63,048 | <i>51,524</i> | 123,870 | <i>90,614</i> |
| Non-operating income not classified as A in A | - | - | - | - | 3,179 | <i>3,179</i> |
| Other amounts collectable on behalf of the Consolidated Fund | 1,341 | <i>1,341</i> | 1,341 | <i>1,341</i> | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | 71,341 | <i>46,341</i> | 64,389 | <i>52,865</i> | 127,049 | <i>93,793</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 131,909 | 144,958 | 126,654 |
| RfR 2 | 250 | 703 | - |
| RfR 3 | 25,300 | 24,670 | 32,608 |
| Total Net Administration costs | 157,459 | 170,331 | 159,262 |
| Net Programme Costs | | | |
| RfR 1 | 104,221 | 92,299 | 90,710 |
| RfR 2 | 52,800 | 54,371 | 44,153 |
| RfR 3 | 458 | 10,959 | -20 |
| Non-voted | -46,067 | -38,569 | -97,102 |
| Total Net Programme costs | 111,412 | 119,060 | 37,741 |
| Total Net Operating Cost | 268,871 | 289,391 | 197,003 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 314,938 | 327,960 | 294,105 |
| Non-voted expenditure | 23,933 | 24,479 | 26,768 |
| Consolidated Fund Extra Receipts | -70,000 | -63,048 | -123,870 |
| Resource Budget | 305,273 | 307,800 | 234,720 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 314,938 | 327,960 | 294,105 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | 23,933 | 24,479 | 26,768 |
| Consolidated Fund Extra Receipts in the OCS | -70,000 | -63,048 | -123,870 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 268,871 | 289,391 | 197,003 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | -3,400 | 1,387 |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | 23,659 | 20,959 | 36,292 |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | 12,743 | 850 | - |
| Other adjustments | - | - | 38 |
| Resource Budget (Budget) | 305,273 | 307,800 | 234,720 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 220,233 | 228,482 | 205,420 |
| Annually Managed Expenditure (AME) | 85,040 | 79,318 | 29,300 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 14,004,800 | 7,200 | 988 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | -3,179 |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | 2,221 | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 14,007,021 | 7,200 | -2,191 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 7,021 | 7,200 | -804 |
| Annually Managed Expenditure (AME) | 14,000,000 | - | -1,387 |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

- | | |
|---------------------------------|---|
| Request for Resources 1: | Nicholas Macpherson, Permanent Head of Department |
| Request for Resources 2: | Nicholas Macpherson, Permanent Head of Department |
| Request for Resources 3: | Nigel Smith, Chief Executive of the Office of Government Commerce |

Nick Macpherson as the Principal Accounting Officer of the HM Treasury has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of the HM Treasury.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

In accordance with Managing Public Money requirements the relationship between the Principal Accounting Officer and the Additional Accounting Officer(s) and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|---------------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all | | | |
| Administration | 14,123 | 24,775 | 12,212 |
| <i>of which:</i> | | | |
| Sale of goods and services | 14,123 | 24,775 | 12,212 |
| Programme | 3,000 | 1,510 | 3,041 |
| <i>of which:</i> | | | |
| Sale of goods and services | 3,000 | 1,510 | 2,292 |
| Interest and dividends | - | - | 749 |
| Total RfR 1 | 17,123[†] | 26,285 | 15,253 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: recoveries in respect of administration of the Treasury, including charges for courses, services provided by the Economics in Government team and other officers loaned to other organisations, including the salary of the UK Executive Director of the International Monetary Fund/International Bank for Reconstruction and Development who is a Treasury employee; charges for services provided by the Government Social Research Unit; income from recovery actions in connection with Barlow Clowes; charges for services to government departments provided under the Financial Management Change Agenda; income from fees charges to Foreign Investment Exchange/Clearing Houses; recoveries in respect of Honours and Dignities; income in respect of insurance sponsorship and supervision responsibilities; income due to the Debt Management Office for advertising costs, stock exchange listings, data provision, management and administration of certain public and private funds and provision of a lending service to local authorities, income from the administration of carbon dioxide reduction schemes; administration of Pool Re and other related bodies; European Fast Stream income from the Cabinet Office; amounts arising from the sale of shares and debt; income in respect of Northern Rock and reimbursement of costs associated with the Poynter Review.</i> | | | |
| RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage | | | |
| Programme | - | - | 1,499 |
| <i>of which:</i> | | | |
| Sale of goods and services | - | - | 1,499 |
| Total RfR 2 | - | - | 1,499 |
| RfR 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis | | | |
| Administration | 3,700 | 12,130 | 13,522 |
| <i>of which:</i> | | | |
| Sale of goods and services | 3,700 | 12,130 | 13,522 |
| Programme | 100 | 1,469 | 1,964 |
| <i>of which:</i> | | | |
| Sale of goods and services | - | - | 267 |
| Interest and dividends | 100 | 1,469 | 1,697 |
| Total RfR 3 | 3,800[†] | 13,599 | 15,486 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from consultancy and other customer services, hirings of vacant property, charges for users of Whitehall District Heating and Standby Systems, sales of surplus energy and the OGC buying.solutions dividend.</i> | | | |
| Total Operating A in A | 20,923 | 39,884 | 32,238 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all | | | |
| Programme | - | - | 1,387 |
| <i>of which:</i> | | | |
| Sale of assets | - | - | 1,387 |
| Total RfR 1 | - | - | 1,387 |
| Total Non-Operating A in A | - | - | 1,387 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|----------------------|---------------|----------------------|---------------|--------------------|---------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Fixed investments (operating income) Δ | 70,000 | 45,000 | 63,048 | 51,524 | 123,870 | 90,614 |
| Current Assets Φ | | | | | 3,179 | 3,179 |
| Civil List Φ | 1,341 | 1,341 | 1,341 | 1,341 | - | - |
| Total | 71,341 | 46,341 | 64,389 | 52,865 | 127,049 | 93,793 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|---------|-----------|---------|
| | Voted | Non-voted | Total |
| Resource DEL | 186,898 | 33,335 | 220,233 |
| <i>of which: †</i> | | | |
| Administration budget | 157,459 | 10,743 | 168,202 |
| Near-cash in RDEL | 177,013 | 44,235 | 221,248 |
| Capital DEL †† | 4,800 | 2,221 | 7,021 |
| Less Depreciation ††† | -9,190 | - | -9,190 |
| Total DEL | 182,508 | 35,556 | 218,064 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £314,938,000 is 4.0 per cent lower than the final net provision for 2007-08 of £327,960,000 and 1.8 per cent lower than the forecast outturn for 2007-08 of £320,764,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 20,923 | 39,884 | 33,625 |

Notes to the Main Estimate (*continued*)**Expenditure resting on the sole authority of the Appropriation Act**

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|--------------------|--|--------------|
| RfR 1 A | A pilot scheme in connection with the provision of generic financial advice. | 3,000 |

Notes to the Main Estimate (*continued*)

Contingent liabilities

| Nature of Liability | £'000 |
|---|----------------|
| The Treasury is being sued for alleged failure to regulate the Lloyd's insurance market in proper accordance with EC law | Unquantifiable |
| HM Treasury has announced guarantee arrangements in respect of retail and uncollateralised wholesale deposits in, and certain other uncollateralised and unsubordinated wholesale obligations of, Northern Rock plc. These arrangements will exist for the current period of instability in the financial markets. (Treasury Minute dated 26 November 2007) | Unquantifiable |
| The Bank of England has made available additional facilities to Northern Rock plc. The facilities are secured against the assets of Northern Rock plc, but HM Treasury has indemnified the Bank of England should the Bank of England face a deficit, having made all reasonable endeavours to recover its claims on the company. This facility will be reviewed on 17 March, and will most likely need to be extended until longer-term refinancing arrangements post temporary public ownership are confirmed. (Treasury Minute dated 26 November 2007 and Banking (Special Provisions) Act 2008, Financial provision, Clause 16, 1 (a)). | Unquantifiable |
| HM Treasury has confirmed to the FSA its intention to take appropriate steps (should they prove necessary) to ensure that Northern Rock will continue to operate above the minimum regulatory capital requirements. (Treasury Minute dated 19 February 2008) | Unquantifiable |
| HM Treasury has guaranteed indemnities provided by Northern Rock for its new directors against liabilities and losses in the course of their actions and a direct indemnity for the interim period before directors are formally appointed to the board. (Treasury Minute dated 19 February 2008) | Unquantifiable |

HM Revenue and Customs

Introduction

1. This Estimate covers expenditure of HM Revenue & Customs (HMRC). Our aim is to administer the tax and customs control systems fairly and efficiently and make it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements. Our Departmental Strategic Objectives cover improvement in the extent to which individuals and businesses pay the tax due and receive the credits and payments to which they are entitled; improvement in customers' experience and improve the UK business environment; and reduce the risk of the illicit import and export of material which might harm the UK's physical and social well-being. We also have to meet challenging efficiency targets.
2. We are responsible for collecting the bulk of tax revenue. We manage: Income, Corporation, Capital Gains, Inheritance, Insurance Premium, Stamp, Land and Petroleum Revenue taxes; Value Added Tax (VAT); excise duties; customs duties and frontier protection; environmental taxes - climate change and aggregates levy and landfill Tax; National Insurance Contributions; Tax Credits; Child Benefit and the Child Trust Fund; enforcement of the National Minimum Wage; recovery of Student Loan repayments, statutory payments and providing the business link portal.
3. Details of the expenditure contained in this Estimate can be found in the HM Revenue & Customs Departmental Report published later this year.
4. Symbols are explained in the Introduction to this booklet.

HM Revenue and Customs

Part I

| | £ |
|---|-----------------------|
| Request for Resources 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements | 4,075,046,000 |
| Request for Resources 2: Growing a contribution to the good management of property where the public interest is involved | 1,000 |
| Request for Resources 3: Providing payments in lieu of tax relief to certain bodies | 144,000,000 |
| Request for Resources 4: Making payments of rates to Local Authorities on behalf of certain bodies | 31,900,000 |
| Request for Resources 5: Payments of Child Benefit and Child Trust Fund endowments † | 11,240,000,000 |
| Total net resource requirement | 15,490,947,000 |
| Net cash requirement † | 15,434,277,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the HM Revenue and Customs on:

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

administration and the associated non-cash items incurred in the management and collection of the direct and indirect taxes, duties and levies, new tax credits and National Insurance Contributions; Child Benefit and the Child Trust Fund, Shipbuilders' Relief, Money Laundering regulatory regime, the National Insurance Funds for Great Britain and Northern Ireland; OPG and government banking services; Airplane Tax; Health in Pregnancy Grant; Saving Gateway; National minimum wage; collection of student loans; the operation of customs controls including prohibitions and restrictions; the provision of trade information; the provision of Capital Grants for Excise Tax Stamps; the provision of resources to independent investigatory bodies (including the HMIC, IPCC and the police authorities) to facilitate the independent inspection of professional standards within the Department, the investigation of allegations of mis-conduct or criminal activities by Departmental staff and fulfilment of reciprocal complaints investigation arrangements with police authorities; the provision of incentive payments for e-filing; payments in respect of the Customs National Museum; grants to the voluntary and community sector; providing the business link portal; air travel carbon-offsetting; and for services provided to the department's information technology and wider markets' partners, other departments and public bodies including any assistance with investigations into terrorist incidents, and overseas tax administration and the activity in support of the UK Border Agency.

RfR 2: Growing a contribution to the good management of property where the public interest is involved

administration and the associated non-cash items incurred in the provision of valuation and other services for government departments and other public bodies by the Valuation Office Agency, including preparatory work for the transfer of function from The Rent Service in 2009.

RfR 3: Providing payments in lieu of tax relief to certain bodies

transitional payments to charities, supplements on payroll giving, donations to charities and on personal and stakeholder pension schemes, life assurance premium relief, stamp duty relief and residual payments for mortgage interest relief, vocational training relief and private medical insurance; and associated non-cash items.

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

rates paid by Her Majesty's Revenue and Customs in respect of non-domestic property occupied by accredited representatives of Commonwealth and foreign countries and certain international organisations and associated non-cash items.

RfR 5: Payments of Child Benefit and Child Trust Fund endowments

payments of Child Benefit, Child Trust Funds, Health in Pregnancy Grant and the associated non-cash items.

The **HM Revenue and Customs** will account for this Estimate.

† The spending on Health in Pregnancy Grant in RfR5 under subhead A3 is subject to the passage of the Health and Social Care Bill 2008, which has been laid before Parliament. The provision sought will not be used for the service, or for any other purpose, until the enabling legislation has been enacted.

| | Net total | Allocated in Vote on Account | Balance to complete/ surrender |
|---------------------------------------|-----------------------|------------------------------------|--------------------------------------|
| RfR 1 | 4,075,046,000 | 1,914,940,000 | 2,160,106,000 |
| RfR 2 | 1,000 | - | 1,000 |
| RfR 3 | 144,000,000 | 38,700,000 | 105,300,000 |
| RfR 4 | 31,900,000 | 32,627,000 | -727,000 |
| RfR 5 | 11,240,000,000 | 4,837,707,000 | 6,402,293,000 |
| Total net resource requirement | 15,490,947,000 | 6,823,974,000 | 8,666,973,000 |
| Net cash requirement | 15,434,277,000 | 6,805,111,000 | 8,629,166,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|---------------|---------|-------------|---------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non-operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements | | | | | | | | | |
| 4,275,289 | 140,847 | 100,435 | 4,516,571 | 441,525 | 4,075,046 | 252,175 | 3,818 | 4,367,263 | 4,530,871 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Administration | | | | | | | | | |
| 4,275,289 | 137,347 | 435 | 4,413,071 | 438,026 | 3,975,045 | 252,175 | 3,818 | 4,164,762 | 4,252,587 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| B e-filing incentive payments | | | | | | | | | |
| - | - | 100,000 | 100,000 | - | 100,000 | - | - | 200,000 | 278,284 |
| Non-Budget | | | | | | | | | |
| C Operational local clearance procedures | | | | | | | | | |
| - | 3,500 | - | 3,500 | 3,499 | 1 | - | - | 2,501 | - |
| RfR 2: Growing a contribution to the good management of property where the public interest is involved | | | | | | | | | |
| 208,545 | 2 | - | 208,547 | 208,546 | 1 | 9,171 | 162 | 1 | - |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Administration | | | | | | | | | |
| 208,545 | - | - | 208,545 | 208,546 | -1 | 9,171 | 162 | -264 | - |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| B Administration | | | | | | | | | |
| - | 2 | - | 2 | - | 2 | - | - | 265 | - |
| RfR 3: Providing payments in lieu of tax relief to certain bodies | | | | | | | | | |
| - | - | 144,000 | 144,000 | - | 144,000 | - | - | 86,000 | 80,457 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Payments in lieu of tax relief | | | | | | | | | |
| - | - | 144,000 | 144,000 | - | 144,000 | - | - | 86,000 | 80,457 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|-----------------------------------|------------|-------------|---------|------------|----------------------|--------------------|------------|------------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies | | | | | | | | | |
| - | 34,000 | - | 34,000 | 2,100 | 31,900 | - | - | 38,386 | 29,190 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Payments of Local Authority rates | | | | | | | | |
| - | 34,000 | - | 34,000 | 2,100 | 31,900 | - | - | 38,386 | 29,190 |
| RfR 5: Payments of Child Benefit and Child Trust Fund endowments | | | | | | | | | |
| - | - | 11,240,000 | 11,240,000 | - | 11,240,000 | - | - | 10,890,000 | 10,371,914 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Children's benefits | | | | | | | | |
| - | - | 10,980,000 | 10,980,000 | - | 10,980,000 | - | - | 10,630,000 | 10,122,807 |
| B | Child Trust Fund Endowments | | | | | | | | |
| - | - | 260,000 | 260,000 | - | 260,000 | - | - | 260,000 | 249,107 |
| Total for Estimate: | | | | | | | | | |
| 4,483,834 | 174,849 | 11,484,435 | 16,143,118 | 652,171 | 15,490,947 | 261,346 | 3,980 | 15,381,650 | 15,012,432 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 15,490,947 | 15,381,650 | 15,012,432 |
| Voted capital items | | | |
| Capital | 261,346 | 292,210 | 307,577 |
| Less Non-operating A-in-A | 3,980 | 3,980 | 6,114 |
| Total net voted capital | 257,366 | 288,230 | 301,463 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -40,888 | -26,379 | -4,151 |
| Depreciation | -179,002 | -211,523 | -200,629 |
| New provisions and adjustments to previous provisions | -119,474 | -167,002 | -155,740 |
| Profit/loss on sale of assets | - | - | 2,607 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -520 | -1,860 | -1,925 |
| Increase (+) / Decrease (-) in stock | 600 | 1,138 | 7,648 |
| Increase (+) / Decrease (-) in debtors | -3,400 | 5,364 | 7,706 |
| Increase (-) / Decrease (+) in creditors | -5,500 | 237,965 | 98,569 |
| Use of provisions | 34,148 | 85,603 | 141,631 |
| Total accruals to cash adjustments | -314,036 | -76,694 | -104,284 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 15,434,277 | 15,593,186 | 15,209,611 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|----------------------|-----------------------|----------------------|-----------------------|--------------------|-----------------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | 5,296 | - |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | 351,000 | <i>305,000</i> | 351,000 | <i>305,000</i> | 295,787 | <i>264,369</i> |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | 351,000 | <i>305,000</i> | 351,000 | <i>305,000</i> | 301,083 | <i>264,369</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 4,222,263 | 4,416,997 | 4,502,113 |
| RfR 2 | -1 | -264 | -5,296 |
| RfR 3 | - | - | - |
| RfR 4 | - | - | - |
| RfR 5 | - | - | - |
| Total Net Administration costs | 4,222,262 | 4,416,733 | 4,496,817 |
| Net Programme Costs | | | |
| RfR 1 | -147,217 | -49,734 | 28,758 |
| RfR 2 | 2 | 265 | - |
| RfR 3 | 144,000 | 86,000 | 80,457 |
| RfR 4 | 31,900 | 38,386 | 29,190 |
| RfR 5 | 11,240,000 | 10,890,000 | 10,371,914 |
| Total Net Programme costs | 11,268,685 | 10,964,917 | 10,510,319 |
| Total Net Operating Cost | 15,490,947 | 15,381,650 | 15,007,136 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 15,490,947 | 15,381,650 | 15,012,432 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | -5,296 |
| Resource Budget | 33,722,347 | 30,459,465 | 29,335,618 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 15,490,947 | 15,381,650 | 15,012,432 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | -5,296 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 15,490,947 | 15,381,650 | 15,007,136 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | 2,607 |
| Capital grants | -260,000 | -260,000 | -177,965 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | -1 | -1 | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | -218 |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | 43,662 | 24,874 | - |
| Other adjustments | 18,447,739 | 15,312,942 | 14,504,058 |
| Resource Budget (Budget) | 33,722,347 | 30,459,465 | 29,335,618 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 4,366,445 | 4,537,311 | 4,577,319 |
| Annually Managed Expenditure (AME) | 29,355,902 | 25,922,154 | 24,758,299 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 257,366 | 288,230 | 301,463 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | 260,000 | 260,000 | 177,965 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | 3,648 | 3,739 | - |
| Other adjustments | - | - | 79,985 |
| Capital Budget (Budget) | 521,014 | 551,969 | 559,413 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 261,014 | 291,969 | 303,006 |
| Annually Managed Expenditure (AME) | 260,000 | 260,000 | 256,407 |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resource within this Estimate.

| | |
|---------------------------------|---|
| Request for Resources 1: | Mike Eland, Director General, HM Revenue and Customs |
| Request for Resources 2: | Andrew Hudson, Chief Executive of the Valuation Office Agency |
| Request for Resources 3: | David Hartnett, Acting Chairman, HM Revenue and Customs |
| Request for Resources 4: | Andrew Hudson, Chief Executive of the Valuation Office Agency |
| Request for Resources 5: | Mike Eland, Director General, HM Revenue and Customs |

David Hartnett (interim) as the Principal Accounting Officer of the HM Revenue and Customs has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of the HM Revenue and Customs.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

In accordance with Managing Public Money requirements the relationship between the Principal Accounting Officer and the Additional Accounting Officer(s) and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements | | | |
| Administration | 53,026 | 134,209 | 67,587 |
| <i>of which:</i> | | | |
| Sale of goods and services | 34,267 | 42,430 | 67,587 |
| Regulatory licences, fines, penalties and taxes | 18,759 | 91,779 | - |
| Programme | 388,499 | 385,841 | 382,948 |
| <i>of which:</i> | | | |
| Sale of goods and services | 388,364 | 385,706 | 382,948 |
| Regulatory licences, fines, penalties and taxes | 135 | 135 | - |
| Total RfR 1 | 441,525† | 520,050 | 450,535 |
| † Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of law costs; recovery of the costs of administering the National Insurance Funds and collection of National Insurance contributions; subsidies for New Deal jobseekers employed; receipts for services provided to the Valuation Office Agency, government departments and other bodies including student loan and National Minimum Wage receipts; recovery of costs in respect of the Aggregates levy and of seconded and loan staff; charges for the special attendance of officers; and for international commitments; receipts from the sale of publications; from the sale of statistical services and certificates; and from estate management services, including rent receipts from other government departments and private tenants; receipts from the use of certain official cars; receipts from certain tax penalties; EC travelling expenses and receipts from the EC; receipts in respect of Shipbuilders' Relief and local clearance procedures under Single European Authorisations; receipts from insurance and compensation claims; receipts from the Asset Recovery Incentivisation scheme; and marine fuel relief, transaction fees from credit card payments; fees received for the money laundering regulatory regime; recoveries of overpayments in prior years; excess cash receipts; subscription fees relating to Business link; and other miscellaneous administration and programme cost receipts. | | | |
| RfR 2: Growing a contribution to the good management of property where the public interest is involved | | | |
| Administration | 208,546 | 215,239 | 201,928 |
| <i>of which:</i> | | | |
| Sale of goods and services | 208,546 | 215,239 | 201,928 |
| Total RfR 2 | 208,546† | 215,239 | 201,928 |
| † Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of costs of valuation and other services; receipts from the use of certain official cars; receipts from the sale of information and publications; recovery of law costs; rent receipts from other government departments and private tenants; receipts in connection with preparation for the transfer of function from The Rent Service; other administration cost receipts. | | | |
| RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies | | | |
| Programme | 2,100 | 2,239 | 1,937 |
| <i>of which:</i> | | | |
| Sale of goods and services | 2,100 | 2,239 | 1,937 |
| Total RfR 4 | 2,100† | 2,239 | 1,937 |
| † Amount that may be applied as operating appropriations in aid in addition to the net total arising from: payment of rates by accredited Commonwealth and foreign countries and certain international organisations; refunds from local authorities. | | | |
| Total Operating A in A | 652,171 | 737,528 | 654,400 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements | | | |
| Administration | - | - | 2,466 |
| <i>of which:</i> | | | |
| Sale of assets | - | - | 2,466 |
| Programme | 3,818 | 3,818 | 3,645 |
| <i>of which:</i> | | | |
| Sale of assets | 3,818 | 3,818 | 3,645 |
| Total RfR 1 | 3,818† | 3,818 | 6,111 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of fixed assets and from the sale of land and buildings.</i> | | | |
| RfR 2: Growing a contribution to the good management of property where the public interest is involved | | | |
| Administration | - | - | 1 |
| <i>of which:</i> | | | |
| Sale of assets | - | - | 1 |
| Programme | 162 | 162 | 2 |
| <i>of which:</i> | | | |
| Sale of assets | 162 | 162 | 2 |
| Total RfR 2 | 162† | 162 | 3 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of assets.</i> | | | |
| Total Non-Operating A in A | 3,980 | 3,980 | 6,114 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Fines and penalties ● | 325,200 | 279,200 | 325,200 | 279,200 | 276,283 | 239,569 |
| Proceeds, less duty, on sale of seized goods ● | 6,400 | 6,400 | 6,400 | 6,400 | 6,400 | 6,400 |
| Other miscellaneous receipts● | 19,400 | 19,400 | 19,400 | 19,400 | 18,400 | 18,400 |
| Total | 351,000 | 305,000 | 351,000 | 305,000 | 301,083 | 264,369 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|-----------|-----------|-----------|
| | Voted | Non-voted | Total |
| Resource DEL | 3,975,044 | 391,401 | 4,366,445 |
| <i>of which:</i> † | | | |
| Administration budget | 4,222,262 | 43,662 | 4,265,924 |
| Near-cash in RDEL | 3,635,162 | 425,549 | 4,060,711 |
| Capital DEL†† | 257,366 | 3,648 | 261,014 |
| Less Depreciation††† | -179,000 | - | -179,000 |
| Total DEL | 4,053,410 | 395,049 | 4,448,459 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £15,490,947,000 is 0.7 per cent higher than the final net provision for 2007-08 of £15,381,650,000 and 1.7 per cent higher than the forecast outturn for 2007-08 of £15,237,973,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 656,151 | 741,508 | 660,514 |

National Savings and Investments

Introduction

1. This Estimate provides for the expenditure on the administration of National Savings and Investments.
2. National Savings and Investments aims to reduce the cost to the taxpayer of government borrowing now and in the future. To achieve this, our single strategic objective is to provide the government with cost effective retail finance compared to funds raised on the wholesale market. National Savings and Investments are committed to keeping its products under review so that the changing needs of its customers continue to be met. Products cover tax-free investments for taxpayers, gross paying investments for non-taxpayers and savings schemes suitable for all ages.
3. The cost of National Savings and Investments operations is comprised of debt interest, tax foregone and administration. The last item is included in the public expenditure planning total and is covered by this resource estimate which provides for administering and selling National Savings and Investments products, maintaining customer holdings, and making payments to and conducting correspondence with investors.
4. National Savings and Investments operations were outsourced to Siemens IT Solutions and Services Limited (SIS) at the start of 1999-2000. The initial period of the contract 10 years was extended to 15 years in 2005. The partnership is integral to running the operations, investing in NS&I and reducing the costs of the operations business as well as increasing efficiency. The contract payments to SIS account for over 60% of the total of this Estimate.
5. The Post Office undertakes a substantial amount of National Savings and Investments business on an agency basis. Approximately £26 million will be required to pay for selling National Savings and Investments products in this way. National Savings and Investments also sells its products by post, by telephone, by internet and also through distribution channels such as its partnership with WH Smith.
6. Further details of the expenditure contained in this estimate can be found in the National Savings and Investments Departmental Report 2008 (Cm 7416).
7. Symbols are explained in the Introduction to this booklet.

National Savings and Investments

Part I

| | £ |
|--|--------------------|
| Request for Resources 1: Reducing the costs to the taxpayer of government borrowing now and in the future | 161,153,000 |
| Total net resource requirement | 161,153,000 |
| Net cash requirement | 158,634,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the National Savings and Investments on:

RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future

Administration and operational costs, research and development works, equipment and other payments, and associated non-cash items.

The **National Savings and Investments** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|--------------------|------------------------------------|------------------------|
| RfR 1 | 161,153,000 | 74,382,000 | 86,771,000 |
| Total net resource requirement | 161,153,000 | 74,382,000 | 86,771,000 |
| Net cash requirement | 158,634,000 | 73,202,000 | 85,432,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn |
|--|------------------|--------|-------------|--------|-----------|------------------------------|--------------------|
| Resources | | | | | | Capital Non- operating | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Net Total |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | Resources |
| | | | | | | A in A | 9 |
| | | | | | | 8 | 10 |
| RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future | | | | | | | |
| 167,071 | - | - | 167,071 | 5,918 | 161,153 | 488 | 170,294 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | |
| <i>Central Government spending</i> | | | | | | | |
| A Administration | | | | | | | |
| 167,071 | - | - | 167,071 | 5,918 | 161,153 | 488 | 170,294 |
| Total for Estimate: | | | | | | | |
| 167,071 | - | - | 167,071 | 5,918 | 161,153 | 488 | 170,294 |
| | | | | | | | 168,615 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 161,153 | 170,294 | 168,615 |
| Voted capital items | | | |
| Capital | 488 | 500 | 68 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 488 | 500 | 68 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -867 | -1,132 | -321 |
| Depreciation | -3,090 | -3,090 | -2,703 |
| New provisions and adjustments to previous provisions | - | -900 | -106 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | -650 | -500 | -607 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | -400 | -400 | 610 |
| Increase (-) / Decrease (+) in creditors | 2,000 | 2,000 | -8,185 |
| Use of provisions | - | 900 | -422 |
| Total accruals to cash adjustments | -3,007 | -3,122 | -11,734 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 158,634 | 167,672 | 156,949 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 161,153 | 170,294 | 168,615 |
| Total Net Administration costs | 161,153 | 170,294 | 168,615 |
| Total Net Operating Cost | 161,153 | 170,294 | 168,615 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 161,153 | 170,294 | 168,615 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 166,147 | 170,294 | 168,615 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 161,153 | 170,294 | 168,615 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 161,153 | 170,294 | 168,615 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | 4,994 | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 166,147 | 170,294 | 168,615 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 166,147 | 170,294 | 168,615 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 488 | 500 | 68 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 488 | 500 | 68 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 488 | 500 | 68 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Jane Platt, Permanent Head of the Department

Jane Platt as the Accounting Officer of the National Savings and Investments has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the National Savings and Investments.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future | | | |
| Administration | 5,918 | 5,746 | 5,347 |
| <i>of which:</i> | | | |
| Sale of goods and services | 5,918 | 5,746 | 5,347 |
| Total RfR 1 | 5,918† | 5,746 | 5,347 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: rent receipts.</i> | | | |
| Total Operating A in A | 5,918 | 5,746 | 5,347 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|----------------------------------|---------|-----------|---------|
| | Voted | Non-voted | Total |
| Resource DEL | 161,153 | 4,994 | 166,147 |
| <i>of which:</i> [†] | | | |
| Administration budget | 161,153 | 4,994 | 166,147 |
| Near-cash in RDEL | 156,546 | 4,994 | 161,540 |
| Capital DEL ^{††} | 488 | - | 488 |
| Less Depreciation ^{†††} | -3,090 | - | -3,090 |
| Total DEL | 158,551 | 4,994 | 163,545 |

[†] The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

^{††} Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

^{†††} Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £161,153,000 is 5.4 per cent lower than the final net provision for 2007-08 of £170,294,000 and 0.1 per cent higher than the forecast outturn for 2007-08 of £161,029,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 5,918 | 5,746 | 5,347 |

The Statistics Board

Introduction

1. This Estimate provides for the programme costs and other expenditure costs for the Statistics Board (SB).
2. The department's objective is to promote and safeguard the production and publication of official statistics that serve the public good.
3. Statistics Board's main responsibilities include: to promote and safeguard the quality of official statistics with reference to their impartiality, accuracy, relevance and coherence with other official statistics; to monitor the production and publication of official statistics; to prepare and publish a Code of Practice for Statistics; to prepare and publish a programme for the assessment of existing and candidate National Statistics against the Code; to confirm or cancel National Statistics designation of these statistics; to govern the Office of National Statistics (ONS).
4. The main responsibilities of ONS, the Executive Office of UKSA, include: collection, collation and dissemination of statistics relating to the United Kingdom's national accounts, balance of payments, retail prices index, financial transactions and measures of output; co-ordination of statistics relating to regional matters; compilation of social Labour Market statistics; undertaking of various representational roles in an international context; providing professional leadership for statistics across government; development and maintenance of definitions, methodologies, classifications for official statistics; implementing and issuing information from the decennial census of the population; supplying demographic statistics for national, regional and local planning; conducting social surveys; collecting and supplying statistics relating to the medical condition of the population and maintaining the Titchfield centre of the World Health Organisation; the Secretariat to the Boundary Commission for England and Wales.
5. Further details of the expenditure contained in this Estimate can be found in the Statistics Board Annual Report and Accounts.
6. Symbols are explained in the Introduction to this booklet.

The Statistics Board †

Part I

| | £ |
|---|--------------------|
| Request for Resources 1: To promote and safeguard the production and publication of official statistics that serve the public good † | 210,060,000 |
| Total net resource requirement | 210,060,000 |
| Net cash requirement | 210,560,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the The Statistics Board on:

RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good

collection, preparation and dissemination of economic, social, labour market and other statistics; promote and safeguard the quality of official statistics, to monitor the production and publication of official statistics; to prepare and publish a Code of Practice for Statistics; to prepare and publish a programme for the assessment of existing and candidate National Statistics against the Code; and associated non-cash items.

The **Statistics Board** will account for this Estimate.

† In the Vote on Account 2008-09 (HC3) the departmental title was 'Statistics Board' and the title of RfR 1 was "Providing Statistical Services".

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|--------------------|------------------------------------|------------------------|
| RfR 1 | 210,060,000 | 70,916,000 | 139,144,000 |
| Total net resource requirement | 210,060,000 | 70,916,000 | 139,144,000 |
| Net cash requirement | 210,560,000 | 72,102,000 | 138,458,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|------------------|--------|-------------|--------|-----------|------------------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital Non- operating | Net Total | Net Total | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good | | | | | | | | | |
| - | 233,993 | - | 233,993 | 23,933 | 210,060 | 21,000 | - | 175,176 | 196,754 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Administration | | | | | | | | |
| - | 233,993 | - | 233,993 | 23,933 | 210,060 | 21,000 | - | 175,176 | 196,754 |
| Total for Estimate: | | | | | | | | | |
| - | 233,993 | - | 233,993 | 23,933 | 210,060 | 21,000 | - | 175,176 | 196,754 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 210,060 | 175,176 | 196,754 |
| Voted capital items | | | |
| Capital | 21,000 | 27,830 | 30,699 |
| Less Non-operating A-in-A | - | 250 | 3,187 |
| Total net voted capital | 21,000 | 27,580 | 27,512 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -2,940 | -3,300 | -3,471 |
| Depreciation | -16,500 | -21,933 | -18,091 |
| New provisions and adjustments to previous provisions | -3,000 | -5,640 | -30,038 |
| Profit/loss on sale of assets | - | - | -4,950 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -60 | -67 | -55 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | -2,228 | - |
| Increase (-) / Decrease (+) in creditors | - | 1,000 | - |
| Use of provisions | 2,000 | 8,500 | 3,746 |
| Total accruals to cash adjustments | -20,500 | -23,668 | -52,859 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 210,560 | 179,088 | 171,407 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | - | 175,024 | 190,970 |
| Total Net Administration costs | - | 175,024 | 190,970 |
| Net Programme Costs | | | |
| RfR 1 | 210,060 | 152 | 5,784 |
| Total Net Programme costs | 210,060 | 152 | 5,784 |
| Total Net Operating Cost | 210,060 | 175,176 | 196,754 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 210,060 | 175,176 | 196,754 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 216,060 | 176,203 | 191,804 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 210,060 | 175,176 | 196,754 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 210,060 | 175,176 | 196,754 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -4,950 |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | 6,000 | 1,027 | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 216,060 | 176,203 | 191,804 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 216,060 | 176,203 | 191,804 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 21,000 | 27,580 | 27,512 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 21,000 | 27,580 | 27,512 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 21,000 | 27,580 | 27,512 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Karen Dunnell, Director of the Statistics Board

Karen Dunnell as the Accounting Officer of the Statistics Board has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Statistics Board.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|---------------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good | | | |
| Administration | - | 48,548 | 48,703 |
| <i>of which:</i> | | | |
| Sale of goods and services | - | 48,198 | 48,353 |
| EU Income | - | 350 | 350 |
| Programme | 23,933 | - | - |
| <i>of which:</i> | | | |
| Sale of goods and services | 23,583 | - | - |
| EU Income | 350 | - | - |
| Total RfR 1 | 23,933[†] | 48,548 | 48,703 |
| <i>[†] Amount that may be applied as operating appropriations in aid in addition to the net total arising from: sale of statistical information publications and other services to other departments, the European Union and the public.</i> | | | |
| Total Operating A in A | 23,933 | 48,548 | 48,703 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good | | | |
| Programme | - | 250 | 3,187 |
| <i>of which:</i> | | | |
| Sale of assets | - | 250 | 3,187 |
| Total RfR 1 | - | 250 | 3,187 |
| Total Non-Operating A in A | - | 250 | 3,187 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|---------|-----------|---------|
| | Voted | Non-voted | Total |
| Resource DEL | 210,060 | 6,000 | 216,060 |
| <i>of which:†</i> | | | |
| Administration budget | - | - | - |
| Near-cash in RDEL | 187,560 | 8,000 | 195,560 |
| Capital DEL†† | 21,000 | - | 21,000 |
| Less Depreciation††† | -16,500 | - | -16,500 |
| Total DEL | 214,560 | 6,000 | 220,560 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £210,060,000 is 19.9 per cent higher than the final net provision for 2007-08 of £175,176,000 and 15.2 per cent higher than the forecast outturn for 2007-08 of £182,299,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 23,933 | 48,798 | 51,890 |

Government Actuary's Department

Introduction

1. This Estimate covers the running costs of the department of the Government Actuary. The Department provides a consultancy service to government and other clients, principally in the public sector. It advises in the main on social security and pension schemes, population and other statistical studies and supervision of insurance.
2. Further information can be found in Government Actuary's Department Annual Report and Resource Accounts 2007/08.
3. Symbols are explained in the introduction to this booklet.

Government Actuary's Department

Part I

| | £ |
|--|----------------|
| Request for Resources 1: Providing an actuarial consultancy service | 603,000 |
| Total net resource requirement | 603,000 |
| Net cash requirement | 279,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Government Actuary's Department on:

RfR 1: Providing an actuarial consultancy service

Administration costs incurred in providing an actuarial consultancy service to Government and to other clients principally in the public sector, advising mainly on social security and pension schemes, population and other statistical studies and supervision of insurance and associated non-cash items.

The **Government Actuary's Department** will account for this Estimate.

| | £ | | |
|---------------------------------------|----------------|------------------------------------|------------------------|
| | Net total | Allocated in Vote on Account | Balance to complete |
| RfR 1 | 603,000 | 278,000 | 325,000 |
| Total net resource requirement | 603,000 | 278,000 | 325,000 |
| Net cash requirement | 279,000 | 128,000 | 151,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|--|------------------|--------|-------------|--------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Providing an actuarial consultancy service | | | | | | | | | |
| 13,365 | 46 | - | 13,411 | 12,808 | 603 | 222 | - | 840 | 396 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Administration | | | | | | | | | |
| 13,365 | - | - | 13,365 | 12,808 | 557 | 222 | - | 794 | 346 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| B Losses on Revaluation of Fixed Assets | | | | | | | | | |
| - | 46 | - | 46 | - | 46 | - | - | 46 | 50 |
| Total for Estimate: | | | | | | | | | |
| 13,365 | 46 | - | 13,411 | 12,808 | 603 | 222 | - | 840 | 396 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 603 | 840 | 396 |
| Voted capital items | | | |
| Capital | 222 | 228 | 178 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 222 | 228 | 178 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -105 | -108 | -101 |
| Depreciation | -412 | -422 | -370 |
| New provisions and adjustments to previous provisions | - | - | - |
| Profit/loss on sale of assets | - | - | -83 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -36 | -37 | -42 |
| Increase (+) / Decrease (-) in stock | - | - | -174 |
| Increase (+) / Decrease (-) in debtors | - | - | -252 |
| Increase (-) / Decrease (+) in creditors | - | - | -222 |
| Use of provisions | 7 | 7 | 6 |
| Total accruals to cash adjustments | -546 | -560 | -1,238 |
| Excess cash to be CFERd | - | - | 664 |
| Net Cash Requirement | 279 | 508 | - |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|-----------------|----------------|-------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | - | - | - | - |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | <i>664</i> |
| Total | - | - | - | - | - | <i>664</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 557 | 794 | 263 |
| Total Net Administration costs | 557 | 794 | 263 |
| Net Programme Costs | | | |
| RfR 1 | 46 | 46 | 133 |
| Total Net Programme costs | 46 | 46 | 133 |
| Total Net Operating Cost | 603 | 840 | 396 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 603 | 840 | 396 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 603 | 840 | 313 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|--|----------------------|----------------------|--------------------|
| Net Resource Requirement (Estimates) | 603 | 840 | 396 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 603 | 840 | 396 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -83 |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 603 | 840 | 313 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 557 | 794 | 263 |
| Annually Managed Expenditure (AME) | 46 | 46 | 50 |

Reconciliation of capital expenditure between Estimates and Budgets

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|--|----------------------|----------------------|--------------------|
| Net Voted Capital (Estimates) | 222 | 228 | 178 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 222 | 228 | 178 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 222 | 228 | 178 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Andrew Johnston, acting Head of the Department

Andrew Johnston as the Accounting Officer of the Government Actuary's Department has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Government Actuary's Department.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|---------------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Providing an actuarial consultancy service | | | |
| Administration | 12,808 | 12,906 | 10,508 |
| <i>of which:</i> | | | |
| Sale of goods and services | 12,808 | 12,906 | 10,508 |
| Total RfR 1 | 12,808[†] | 12,906 | 10,508 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts for payments for actuarial, accommodation and facilities management services, financial, payroll and IT services</i> | | | |
| Total Operating A in A | 12,808 | 12,906 | 10,508 |

Notes to the Main Estimate (*continued*)
Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|--|------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Consolidated Fund Creditor for Cash unspent at year end Φ | - | - | - | - | - | 664 |
| Total | - | - | - | - | - | 664 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|-------|-----------|-------|
| | Voted | Non-voted | Total |
| Resource DEL | 557 | - | 557 |
| <i>of which:†</i> | | | |
| Administration budget | 557 | - | 557 |
| Near-cash in RDEL | 50 | 7 | 57 |
| Capital DEL†† | 222 | - | 222 |
| Less Depreciation††† | -366 | - | -366 |
| Total DEL | 413 | - | 413 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £603,000 is 28.2 per cent lower than the final net provision for 2007-08 of £840,000 and 24.9 per cent lower than the forecast outturn for 2007-08 of £803,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 12,808 | 12,906 | 10,508 |

Crown Estate Office

Introduction

1. This Estimate provides for the salaries of The Crown Estate Commissioners, the expense of their office and associated non-cash items. Up to the reign of King George III the reigning sovereign received the rents and profits of The Crown Estate. Since 1760 the surplus rents and profits (after deducting management expenses) have at the beginning of each reign been surrendered by the Sovereign to Parliament as part of the arrangements for the provision of the Civil List. The Estate itself remains part of the hereditary possessions of the Sovereign in the right of the Crown.
2. It is not a Government property, but neither is it part of the private estate of the reigning monarch. The Estate is managed by a Board of Commissioners under the powers vested in them by The Crown Estate Act 1961, which provided for their salaries and the expenses of the office to be paid out of monies voted by Parliament. By agreement with HM Treasury the maximum number of posts so provided for is 41. The other administrative costs of managing the Estate are paid out of the Estate revenues as part of the management expenses. The surplus revenues are paid to the Consolidated Fund at the end of each year and score as a miscellaneous receipt. For 2006-07 £200 million was paid to the Consolidated Fund. For reference, full accounts are produced in July each year under section 2(5) of The Crown Estate Act 1961 (9 and 10 Eliz 2 Ch 55) and is available, on request.
3. Symbols are explained in the introduction to this booklet.

Crown Estate Office

Part I

| | £ |
|---|------------------|
| Request for Resources 1: To maintain and enhance the value of The Crown Estate and the return obtained from it | 2,365,000 |
| Total net resource requirement | 2,365,000 |
| Net cash requirement | 2,357,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Crown Estate Office on:

RfR 1: To maintain and enhance the value of The Crown Estate and the return obtained from it

The administration costs of The Crown Estate Commissioners and associated non-cash items.

The **Crown Estate Office** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|------------------|------------------------------------|------------------------|
| RfR 1 | 2,365,000 | 1,064,000 | 1,301,000 |
| Total net resource requirement | 2,365,000 | 1,064,000 | 1,301,000 |
| Net cash requirement | 2,357,000 | 1,060,000 | 1,297,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|------------------|--------|-------------|--------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: To maintain and enhance the value of The Crown Estate and the return obtained from it | | | | | | | | | |
| - | 2,365 | - | 2,365 | - | 2,365 | - | - | 2,365 | 2,257 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Administration | | | | | | | | |
| - | 2,365 | - | 2,365 | - | 2,365 | - | - | 2,365 | 2,257 |
| Total for Estimate: | | | | | | | | | |
| - | 2,365 | - | 2,365 | - | 2,365 | - | - | 2,365 | 2,257 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 2,365 | 2,365 | 2,257 |
| Voted capital items | | | |
| Capital | - | - | - |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | - | - | - |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | - | - | - |
| Depreciation | - | - | - |
| New provisions and adjustments to previous provisions | - | - | - |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | - |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | -8 | -8 | -8 |
| Increase (-) / Decrease (+) in creditors | - | - | - |
| Use of provisions | - | - | - |
| Total accruals to cash adjustments | -8 | -8 | -8 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 2,357 | 2,357 | 2,249 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|----------------------------------|----------------------|----------------------|--------------------|
| Net Programme Costs | | | |
| RfR 1 | 2,365 | 2,365 | 2,257 |
| Total Net Programme costs | 2,365 | 2,365 | 2,257 |
| Total Net Operating Cost | 2,365 | 2,365 | 2,257 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 2,365 | 2,365 | 2,257 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 2,365 | 2,365 | 2,257 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 2,365 | 2,365 | 2,257 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 2,365 | 2,365 | 2,257 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 2,365 | 2,365 | 2,257 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | 2,365 | 2,365 | 2,257 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | - | - | - |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Roger Bright, Second Commissioner and Chief Executive

Roger Bright as the Accounting Officer of the Crown Estate Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Crown Estate Office.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £2,365,000 is the same as the final net provision for 2007-08 of £2,365,000 and 0.3 per cent higher than the forecast outturn for 2007-08 of £2,357,000.

Cabinet Office

Introduction

1. The Cabinet Office has a single overarching aim in 'making government work better'. This aim will be met through six Departmental Strategic Objectives (DSOs) set out below:

- 1 - Build an effective UK intelligence community in support of UK national interests; and the capabilities to deal with disruptive challenges to the UK
- 2 - Support the Prime Minister and the Cabinet in domestic, European, overseas and defence policy making
- 3 - Cross-cutting issues:
 - a - Improve outcomes for the most excluded people in society
 - b - Enable a thriving Third Sector
- 4 - Transform public services so that they better meet the individual needs of the citizen and business
- 5 - Build the capacity and capability of the Civil Service to deliver the Government's objectives
- 6 - Promote the highest standards of propriety, integrity and governance in public life

2. This Request for Resources provides for the administrative costs and other expenditure of the Cabinet Office. It includes the Prime Minister's Office; the Offices of the Chancellor of the Duchy of Lancaster and Ministers in the Cabinet Office and the Secretary of the Cabinet and Head of the Home Civil Service; Parliamentary Counsel Office; Government Communication; Civil Service Capabilities Group; Transformational Government; Economic and Domestic Secretariat; European and Global Issues Secretariat; Security, Intelligence and Resilience; Foreign and Defence Policy Secretariat; Office of the Third Sector; Social Exclusion Task Force; Strategy Unit; Ceremonial Secretariat; Lord President of the Council and the Leader of the House of Lords and the Leader and Deputy Leader of the House of Commons and the Offices of the Government Whips in the House of Commons and the House of Lords; and various other units.

3. This Request for Resources provides for Grants and Grants in aid. Grants are paid to organisations working in the Third Sector and to Local Authorities and other organisations. Grants in Aid are paid to not-for-profit organisations including Civil Service Benevolent Fund, Civil Service Sports Council, Civil Service Retirement Fellowship, and to Executive NDPB's, Capacity Builders (UK) Limited and Commission for the Compact Limited.

4. Further details of expenditure contained within this Estimate are included in the Cabinet Office Annual Report and Accounts 2007-08 to be published later in the year.

5. Symbols are explained in the Introduction to this booklet.

Cabinet Office

Part I

| | £ |
|--|--------------------|
| Request for Resources 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives | 380,015,000 |
| Total net resource requirement | 380,015,000 |
| Net cash requirement | 342,483,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Cabinet Office on:

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

The Prime Minister's Office; the Offices of the Chancellor of the Duchy of Lancaster and Ministers in the Cabinet Office and the Secretary of the Cabinet and Head of the Home Civil Service; Parliamentary Counsel Office; Government Communication; Civil Service Capabilities Group; Transformational Government; Economic and Domestic Secretariat; European and Global Issues Secretariat; Security, Intelligence and Resilience; Foreign and Defence Policy Secretariat; Office of the Third Sector; Social Exclusion Task Force; Strategy Unit; Ceremonial Secretariat; Lord President of the Council and the Leader of the House of Lords and the Leader and Deputy Leader of the House of Commons and the Offices of the Government Whips in the House of Commons and the House of Lords; and various other units;

payments to former Prime Ministers; the central management of, and delivery of services to, the Civil Service and wider public sector; improving public services; civil service reform; cross-departmental IT systems; co-ordination of cross-cutting issues; grants in aid to not-for-profit organisations including the Chequers Trust, the Civil Service Benevolent Fund, Civil Service Sports Council, Civil Service Retirement Fellowship, and Capacity Builders (UK) Limited, and Commission for the Compact Limited, Executive NDPB's; grants to organisations working in the Third Sector and to Local Authorities and other organisations including Disability Partnership and the Whitehall and Industry group; and associated non-cash items.

The **Cabinet Office** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|--------------------|------------------------------------|------------------------|
| RfR 1 | 380,015,000 | 174,163,000 | 205,852,000 |
| Total net resource requirement | 380,015,000 | 174,163,000 | 205,852,000 |
| Net cash requirement | 342,483,000 | 157,215,000 | 185,268,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|--|---|---------|-------------|---------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives | | | | | | | | | |
| 246,882 | 85,492 | 147,641 | 480,015 | 100,000 | 380,015 | 8,451 | 21 | 388,998 | 309,474 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Cabinet Office | | | | | | | | |
| 238,443 | 79,592 | 2,489 | 320,524 | 100,000 | 220,524 | 8,451 | 21 | 205,493 | 188,618 |
| B | Office of the Third Sector | | | | | | | | |
| 4,587 | 5,900 | 111,976 | 122,463 | - | 122,463 | - | - | 130,829 | 69,143 |
| C | Social Exclusion Task Force | | | | | | | | |
| 859 | - | - | 859 | - | 859 | - | - | 1,707 | 970 |
| D | Committee on Standards in Public Life - ANDPB | | | | | | | | |
| 660 | - | - | 660 | - | 660 | - | - | 640 | 579 |
| E | Independent Offices - Civil Service Commissioners | | | | | | | | |
| 1,229 | - | - | 1,229 | - | 1,229 | - | - | 1,198 | 1,099 |
| F | Independent Offices - Commissioner for Public Appointments | | | | | | | | |
| 701 | - | - | 701 | - | 701 | - | - | 682 | 498 |
| G | Independent Offices - Advisory Committee on Business Appts -ANDPB | | | | | | | | |
| 209 | - | - | 209 | - | 209 | - | - | 203 | 165 |
| H | Independent Offices - House of Lords Appts Commission - ANDPB | | | | | | | | |
| 194 | - | - | 194 | - | 194 | - | - | 188 | 170 |
| <i>Support for Local Authorities</i> | | | | | | | | | |
| I | London Fire and Emergency Planning Authority | | | | | | | | |
| - | - | 606 | 606 | - | 606 | - | - | 606 | 380 |
| <i>Security</i> | | | | | | | | | |
| - | - | - | - | - | - | - | - | 12,724 | 10,554 |
| Non-Budget | | | | | | | | | |
| J | Executive NDPB's | | | | | | | | |
| - | - | 32,570 | 32,570 | - | 32,570 | - | - | 34,728 | 37,298 |
| Total for Estimate: | | | | | | | | | |
| 246,882 | 85,492 | 147,641 | 480,015 | 100,000 | 380,015 | 8,451 | 21 | 388,998 | 309,474 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 380,015 | 388,998 | 309,474 |
| Voted capital items | | | |
| Capital | 8,451 | 43,238 | 24,665 |
| Less Non-operating A-in-A | 21 | 24 | 83 |
| Total net voted capital | 8,430 | 43,214 | 24,582 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -9,000 | -13,002 | -8,320 |
| Depreciation | -35,962 | -16,637 | -24,844 |
| New provisions and adjustments to previous provisions | - | -1,500 | -130 |
| Profit/loss on sale of assets | - | - | 61 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -1,000 | -212 | -25 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | -31,200 | -15,657 |
| Increase (-) / Decrease (+) in creditors | - | 3,000 | -8,366 |
| Use of provisions | - | 1,500 | - |
| Total accruals to cash adjustments | -45,962 | -58,051 | -57,281 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 342,483 | 374,161 | 276,775 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|-----------------|------------------|-------------------|----------------|---------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | 293 | <i>293</i> | 5,219 | <i>5,219</i> |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | - | - | 293 | <i>293</i> | 5,219 | <i>5,219</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 214,882 | 166,688 | 140,011 |
| Total Net Administration costs | 214,882 | 166,688 | 140,011 |
| Net Programme Costs | | | |
| RfR 1 | 165,133 | 222,310 | 169,463 |
| Non-voted | - | -293 | -10,438 |
| Total Net Programme costs | 165,133 | 222,017 | 159,025 |
| Total Net Operating Cost | 380,015 | 388,705 | 299,036 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 380,015 | 388,998 | 309,474 |
| Non-voted expenditure | - | - | -5,219 |
| Consolidated Fund Extra Receipts | - | -293 | -5,219 |
| Resource Budget | 345,804 | 357,570 | 297,038 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|--|----------------------|----------------------|--------------------|
| Net Resource Requirement (Estimates) | 380,015 | 388,998 | 309,474 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | -5,219 |
| Consolidated Fund Extra Receipts in the OCS | - | -293 | -5,219 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 380,015 | 388,705 | 299,036 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | 61 |
| Capital grants | -41,111 | -48,449 | -18,938 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | 293 | 5,219 |
| Resource consumption of non departmental public bodies | -50 | 9,911 | 5,642 |
| Unallocated resource provision | - | - | - |
| Other adjustments | 6,950 | 7,110 | 6,018 |
| Resource Budget (Budget) | 345,804 | 357,570 | 297,038 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 345,804 | 357,570 | 297,038 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|--|----------------------|----------------------|--------------------|
| Net Voted Capital (Estimates) | 8,430 | 43,214 | 24,582 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | 50 | -6,622 | -8,992 |
| Capital grants | 41,111 | 48,449 | 18,938 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 49,591 | 85,041 | 34,528 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 49,591 | 85,041 | 34,528 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Sir Gus O' Donnell, Principal Accounting Officer and Permanent Head of Department

Sir Gus O'Donnell as the Accounting Officer of the Cabinet Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Cabinet Office.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives | | | |
| Administration | 32,000 | 34,926 | 34,775 |
| <i>of which:</i> | | | |
| Sale of goods and services | 32,000 | 34,926 | 34,775 |
| Programme | 68,000 | 69,709 | 67,905 |
| <i>of which:</i> | | | |
| Sale of goods and services | 68,000 | 58,218 | 58,824 |
| Other grant income (including repayments of grants/subsidies) | - | 11,491 | 9,081 |
| Total RfR 1 | 100,000† | 104,635 | 102,680 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from minor occupiers of the Department's buildings and other accommodation income; sales of goods and services to other government departments, public bodies and general public; income in respect of central management costs of the Principal Civil Service Pension Scheme (PCSPS); recovery of costs of staff on secondment and loan; Emergency Planning College receipts for training courses and rent; recovery of costs from other government departments for cost sharing arrangements; recoveries in respect of Honours and Dignities; other grant income; interest receivable from the private sector and certain other services.</i> | | | |
| Total Operating A in A | 100,000 | 104,635 | 102,680 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives | | | |
| Administration | - | - | -6 |
| <i>of which:</i> | | | |
| Sale of assets | - | - | -6 |
| Programme | 21 | 24 | 89 |
| <i>of which:</i> | | | |
| Sale of assets | - | 3 | 67 |
| Loan, etc, repayments | 21 | 21 | 22 |
| Total RfR 1 | 21† | 24 | 83 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: repayment of loan principal by the Civil Service Sports Council and the London Hostels Association; proceeds from the sale of fixed assets.</i> | | | |
| Total Non-Operating A in A | 21 | 24 | 83 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|-----------------|------------------------------|-----------------|------------------------------|-----------------|----------------------------|-----------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Excess income • | - | - | 293 | 293 | 5,219 | 5,219 |
| Total | - | - | 293 | 293 | 5,219 | 5,219 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|---------|-----------|---------|
| | Voted | Non-voted | Total |
| Resource DEL | 306,334 | 39,470 | 345,804 |
| <i>of which:†</i> | | | |
| Administration budget | 214,882 | - | 214,882 |
| Near-cash in RDEL | 260,372 | 39,470 | 299,842 |
| Capital DEL†† | 49,541 | 50 | 49,591 |
| Less Depreciation††† | -35,962 | - | -35,962 |
| Total DEL | 319,913 | 39,520 | 359,433 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £380,015,000 is 2.3 per cent lower than the final net provision for 2007-08 of £388,998,000 and 16.5 per cent higher than the forecast outturn for 2007-08 of £326,323,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 100,021 | 104,659 | 102,763 |

Notes to the Main Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

| RfR/Section | Service | £'000 |
|-------------|---|---------------|
| RfR1 A | Pension payments | 8 |
| RfR1 A | Grants made by the Cabinet Office | 2,481 |
| RfR1 B | Grants made by the Office of the Third Sector | 111,976 |
| RfR1 I | London Fire and Emergency Planning Authority | 606 |
| RfR1 J | Grants in aid to ENDPBs | 32,570 |
| | | <hr/> 147,641 |

Notes to the Main Estimate (*continued*)

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|--|--------------|
| RfR1 J | Capacity Builders UK Ltd - ENDPB ♥♦♣ | 30,570 |
| RfR1 J | Commission for the Compact Ltd - ENDPB ♥♦♣ | 2,000 |
| | | <hr/> 32,570 |

Security and Intelligence Agencies

Introduction

This Estimate provides for all the administration costs and other expenditure of GCHQ, the Secret Intelligence Service and the Security Services.

2. The Estimate is net of a transfer to MOD of £42.5M for support services. It also reflects adjustments to the SIA CSR07 baseline of £0.32M as a result of changes to the rules for budgeting for prepayments over £20M.

3. Symbols are explained in the Introduction to this booklet.

Security and Intelligence Agencies

Part I

| | £ |
|--|----------------------|
| Request for Resources 1: Protecting and promoting the national security and economic well being of the UK | 1,714,400,000 |
| Total net resource requirement | 1,714,400,000 |
| Net cash requirement | 1,729,786,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Security and Intelligence Agencies on:

RfR 1: Protecting and promoting the national security and economic well being of the UK

Administration and operational costs, research and development works, equipment and other payments, and associated non-cash items.

The **Security and Intelligence Agencies** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|----------------------|------------------------------------|------------------------|
| RfR 1 | 1,714,400,000 | 660,016,000 | 1,054,384,000 |
| Total net resource requirement | 1,714,400,000 | 660,016,000 | 1,054,384,000 |
| Net cash requirement | 1,729,786,000 | 684,321,000 | 1,045,465,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|--|------------------------------------|--------|-------------|--------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Protecting and promoting the national security and economic well being of the UK | | | | | | | | | |
| 91,657 | 1,708,045 | - | 1,799,702 | 85,302 | 1,714,400 | 302,933 | 648 | 1,551,473 | 1,403,488 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Security and Intelligence Agencies | | | | | | | | |
| 91,657 | 1,701,545 | - | 1,793,202 | 85,302 | 1,707,900 | 302,933 | 648 | 1,519,792 | 1,403,488 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| B | Impairments | | | | | | | | |
| - | 6,500 | - | 6,500 | - | 6,500 | - | - | 31,681 | - |
| Total for Estimate: | | | | | | | | | |
| 91,657 | 1,708,045 | - | 1,799,702 | 85,302 | 1,714,400 | 302,933 | 648 | 1,551,473 | 1,403,488 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 1,714,400 | 1,551,473 | 1,403,488 |
| Voted capital items | | | |
| Capital | 302,933 | 331,785 | 247,239 |
| Less Non-operating A-in-A | 648 | 11,241 | 906 |
| Total net voted capital | 302,285 | 320,544 | 246,333 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -6,900 | -35,662 | -69,169 |
| Depreciation | -266,057 | -223,623 | -129,817 |
| New provisions and adjustments to previous provisions | -4,770 | - | - |
| Profit/loss on sale of assets | - | - | -1,541 |
| Prior period adjustments | - | - | - |
| Other non-cash items | -50,733 | -43,788 | -2,088 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | 41,561 | 83,925 | -31,502 |
| Increase (-) / Decrease (+) in creditors | - | - | - |
| Use of provisions | - | - | - |
| Total accruals to cash adjustments | -286,899 | -219,148 | -234,117 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 1,729,786 | 1,652,869 | 1,415,704 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

£'000

| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
|---------------------------------------|----------------------|----------------------|--------------------|
| Net Administration Costs | | | |
| RfR 1 | 86,500 | 89,199 | 89,359 |
| Total Net Administration costs | 86,500 | 89,199 | 89,359 |
| Net Programme Costs | | | |
| RfR 1 | 1,627,900 | 1,462,274 | 1,314,129 |
| Total Net Programme costs | 1,627,900 | 1,462,274 | 1,314,129 |
| Total Net Operating Cost | 1,714,400 | 1,551,473 | 1,403,488 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 1,714,400 | 1,551,473 | 1,403,488 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 1,729,000 | 1,551,473 | 1,401,947 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 1,714,400 | 1,551,473 | 1,403,488 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 1,714,400 | 1,551,473 | 1,403,488 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -1,541 |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | 14,600 | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 1,729,000 | 1,551,473 | 1,401,947 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1,722,500 | 1,519,792 | 1,401,947 |
| Annually Managed Expenditure (AME) | 6,500 | 31,681 | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 302,285 | 320,544 | 246,333 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | 7,400 | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 309,685 | 320,544 | 246,333 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 309,685 | 320,544 | 246,333 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Sir Gus O'Donnell, permanent head of the Cabinet Office

Sir Gus O'Donnell as the Accounting Officer of the Security and Intelligence Agencies has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Security and Intelligence Agencies.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Protecting and promoting the national security and economic well being of the UK | | | |
| Administration | 5,157 | 6,681 | 5,768 |
| <i>of which:</i> | | | |
| Sale of goods and services | 5,157 | 6,681 | 5,768 |
| Programme | 80,145 | 79,981 | 73,422 |
| <i>of which:</i> | | | |
| Sale of goods and services | 80,145 | 79,981 | 73,422 |
| Total RfR 1 | 85,302† | 86,662 | 79,190 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sales of services to other government departments, the recovery of costs of staff on loan, recovery from staff for miscellaneous items and certain other services.</i> | | | |
| Total Operating A in A | 85,302 | 86,662 | 79,190 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Protecting and promoting the national security and economic well being of the UK | | | |
| Administration | - | - | -1,458 |
| <i>of which:</i> | | | |
| Sale of assets | - | - | -1,458 |
| Programme | 648 | 11,241 | 2,364 |
| <i>of which:</i> | | | |
| Sale of assets | 648 | 11,241 | 2,364 |
| Total RfR 1 | 648† | 11,241 | 906 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of fixed assets and from the sale of freehold interest and land.</i> | | | |
| Total Non-Operating A in A | 648 | 11,241 | 906 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|-----------|-----------|-----------|
| | Voted | Non-voted | Total |
| Resource DEL | 1,707,900 | 14,600 | 1,722,500 |
| <i>of which:</i> † | | | |
| Administration budget | 86,500 | 500 | 87,000 |
| Near-cash in RDEL | 1,385,940 | 14,600 | 1,400,540 |
| Capital DEL†† | 302,285 | 7,400 | 309,685 |
| Less Depreciation††† | -259,557 | - | -259,557 |
| Total DEL | 1,750,628 | 22,000 | 1,772,628 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £1,714,400,000 is 10.5 per cent higher than the final net provision for 2007-08 of £1,551,473,000 and 14.9 per cent higher than the forecast outturn for 2007-08 of £1,492,274,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 85,950 | 97,903 | 80,096 |

Cabinet Office: Civil superannuation

Introduction

1. This Estimate covers the payment and associated non-cash items of pensions and other benefits to persons covered by the Principal Civil Service Pension Scheme (PCSPS) and certain other statutory schemes, including schemes for civil servants made under the Superannuation Act 1972.
2. Provision is also made for the payment of annual compensation arising from early retirement that was pre-funded by employers covered by the Civil Service Compensation Scheme (CSCS) in previous years, and surrendered as extra receipts to the Consolidated Fund.
3. PCSPS employers meet the cost of pension cover for their staff by payment of charges set on an accruals basis. These charges, along with scheme members' contributions, are appropriated in aid of this Estimate.
4. This Estimate also includes the Security Service and Secret Intelligence Service superannuation.
5. Symbols are explained in the Introduction to this booklet.

Cabinet Office: Civil superannuation

Part I

| | £ |
|--|----------------------|
| Request for Resources 1: Civil superannuation | 7,204,000,000 |
| Total net resource requirement | 7,204,000,000 |
| Net cash requirement | 1,100,000,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Cabinet Office: Civil superannuation on:

RfR 1: Civil superannuation

the superannuation of civil servants; pensions etc., and other pensions and non-recurrent payments; for other related services and associated non-cash items.

The **Cabinet Office: Civil superannuation** will account for this Estimate.

| | £ | | |
|---------------------------------------|----------------------|------------------------------------|------------------------|
| | Net total | Allocated in Vote on Account | Balance to complete |
| RfR 1 | 7,204,000,000 | 3,427,200,000 | 3,776,800,000 |
| Total net resource requirement | 7,204,000,000 | 3,427,200,000 | 3,776,800,000 |
| Net cash requirement | 1,100,000,000 | 427,500,000 | 672,500,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|----------------------|------------|-------------|-----------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non-operating | Net Total | Net Total |
| Admin | Other | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Civil superannuation | | | | | | | | | |
| - | - | 10,426,000 | 10,426,000 | 3,222,000 | 7,204,000 | - | - | 7,616,001 | 6,043,267 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Civil superannuation | | | | | | | | |
| - | - | 10,426,000 | 10,426,000 | 3,222,000 | 7,204,000 | - | - | 7,616,001 | 6,043,267 |
| Total for Estimate: | | | | | | | | | |
| - | - | 10,426,000 | 10,426,000 | 3,222,000 | 7,204,000 | - | - | 7,616,001 | 6,043,267 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 7,204,000 | 7,616,001 | 6,043,267 |
| Voted capital items | | | |
| Capital | - | - | - |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | - | - | - |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | - | - | - |
| Depreciation | - | - | - |
| New provisions and adjustments to previous provisions | -10,418,000 | -10,924,000 | -9,313,607 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | - |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | -35,000 | -16,000 | -13,555 |
| Increase (-) / Decrease (+) in creditors | - | 1,235 | 127,259 |
| Use of provisions | 4,349,000 | 4,122,764 | 3,806,176 |
| Total accruals to cash adjustments | -6,104,000 | -6,816,001 | -5,393,727 |
| Excess cash to be CFERd | - | 150,000 | - |
| Net Cash Requirement | 1,100,000 | 950,000 | 649,540 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|----------------------|-----------------|----------------------|-----------------|--------------------|-----------------|
| | 2008-09 Provision | | 2007-08 Provision | | 2006-07 Outturn | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | - | - | 17,000 | - | - | - |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | 6,031 | <i>6,031</i> |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | <i>150,000</i> | - | - |
| Total | - | - | 17,000 | 150,000 | 6,031 | 6,031 |

Forecast Combined Revenue Account

| | £'000 | | |
|----------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Programme Costs | | | |
| RfR 1 | 7,204,000 | 7,616,001 | 6,043,267 |
| <i>of which:</i> | | | |
| Income | | | |
| Contributions received | 3,053,000 | 3,094,000 | 3,030,774 |
| Transfers in | 128,000 | 137,000 | 125,466 |
| Other income receivable | 41,000 | 86,000 | 123,090 |
| Total Income | 3,222,000 | 3,317,000 | 3,279,330 |
| Expenditure | | | |
| Increase in liability | 3,944,000 | 4,910,000 | 3,805,876 |
| Interest on scheme liability | 6,474,000 | 6,014,000 | 5,507,731 |
| Other expenditure | 8,000 | 9,001 | 8,990 |
| Total Expenditure | 10,426,000 | 10,933,001 | 9,322,597 |
| Non-voted | - | -17,000 | - |
| Total Net Programme costs | 7,204,000 | 7,599,001 | 6,043,267 |
| Total Net Operating Cost | 7,204,000 | 7,599,001 | 6,043,267 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 7,204,000 | 7,616,001 | 6,043,267 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | -17,000 | - |
| Resource Budget | 7,204,000 | 7,599,001 | 6,043,267 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 7,204,000 | 7,616,001 | 6,043,267 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | -17,000 | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 7,204,000 | 7,599,001 | 6,043,267 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 7,204,000 | 7,599,001 | 6,043,267 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | 7,204,000 | 7,599,001 | 6,043,267 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | - | - | - |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Sir Gus O'Donnell, Permanent Head of the Department

Sir Gus O' Donnell as the Accounting Officer of the Cabinet Office: Civil superannuation has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Cabinet Office: Civil superannuation.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Civil superannuation | | | |
| Programme | 3,222,000 | 3,317,000 | 3,279,330 |
| <i>of which:</i> | | | |
| Pension scheme related income | 3,222,000 | 3,317,000 | 3,279,330 |
| Total RfR 1 | 3,222,000† | 3,317,000 | 3,279,330 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges received from departments and others on account of the cost of pension cover provided for their staff; periodical contributions for widows', widowers' and dependants' benefits, other superannuation contributions and transfer values and bulk transfer value receipts.</i> | | | |
| Total Operating A in A | 3,222,000 | 3,317,000 | 3,279,330 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|---------------------------|-----------|----------|---------------|----------------|--------------|--------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Excess income Δ | - | - | 17,000 | | - | - |
| Excess cash surrendered ● | - | - | - | 150,000 | - | - |
| Other CFERs Δ | - | - | - | - | 6,031 | 6,031 |
| Total | - | - | 17,000 | 150,000 | 6,031 | 6,031 |

Notes to the Main Estimate (*continued*)

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £7,204,000,000 is 5.4 per cent lower than the final net provision for 2007-08 of £7,616,001,000 and 5.3 per cent lower than the forecast outturn for 2007-08 of £7,606,001,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 3,222,000 | 3,317,000 | 3,279,330 |

National School of Government

Introduction

1. This Estimate covers the administration and the associated non-cash costs incurred in the management of the National School of Government. The National School provides a centre of excellence for learning and development in support of the strategic business priorities of Government.
2. The strategy for the National School signals a new direction of travel and a significant shift of emphasis from its predecessors, the Civil Service College and more recently, the Centre for Management and Policy Studies (CMPS), i.e.:
 - Its success will be measured by its reputation and impact rather than the level of revenue generated from its activities.
 - The transition from a product led to a demand led approach is supported by a Strategic Relationship Management capability to develop and maintain strategic relationships with client organisations to ensure that their needs are more clearly understood and that the intervention is the most appropriate.
 - The strategy assumes that the strategic relationships with client organisations will result in a shift from development that is provided for and procured by individuals to interventions that are provided for and procured by organisations.
 - There is also an assumption that this increase in organisational procurement will take the form of tailored or bespoke activity and organisational development.
 - As the Government's Centre of Excellence for Learning and Development, the National School leads on the design and delivery of corporate civil service leadership programmes on behalf of the Cabinet Office.
 - The National School will continue to run high quality, high impact open programmes which will be less generic and closely aligned with the context and the priorities of government including the Professional Skills for Government (PSG) agenda.
3. The National School is tasked with supporting the policy objectives of all departments, e.g. the Cabinet Office with Leadership and PSG, DEFRA on Sustainability, DIUS on Innovation and the Treasury on Risk, etc.
4. To reinforce the shift from being revenue driven to an increased emphasis on reputation and impact, the National School strategy has a range of strategic relationships with policy leads in departments, heads of profession, other public service academies, schools of public administration internationally, professional institutes, business schools, and universities in order to:
 - Ensure alignment with the context and priorities of government
 - Support professionalism in government
 - Share knowledge and best practice
 - Increase intellectual capacity
 - Broker increased delivery capacity working with the best
 - Gain professional accreditation and endorsement
 - Understand and deliver within a unique context.
5. Further details will be in the Annual Report and Resource Account and Resource Accounts issued later in the year.
6. Symbols are explained in the Introduction to this booklet.

National School of Government

Part I

| | £ |
|--|----------------|
| Request for Resources 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government | 405,000 |
| Total net resource requirement | 405,000 |
| Net cash requirement | 335,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the National School of Government on:

RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government

administration and the associated non-cash items incurred in the management of the National School of Government.

The **National School of Government** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|----------------|------------------------------------|------------------------|
| RfR 1 | 405,000 | 186,000 | 219,000 |
| Total net resource requirement | 405,000 | 186,000 | 219,000 |
| Net cash requirement | 335,000 | 82,000 | 253,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|--|-------|--------|-------------|--------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non-operating | Net Total | Net Total |
| Admin | Other | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government | | | | | | | | | |
| 30,405 | - | - | 30,405 | 30,000 | 405 | 1,070 | - | 1,217 | 1,274 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Administration | | | | | | | | | |
| 30,405 | - | - | 30,405 | 30,000 | 405 | 1,070 | - | 1,217 | 1,274 |
| Total for Estimate: | | | | | | | | | |
| 30,405 | - | - | 30,405 | 30,000 | 405 | 1,070 | - | 1,217 | 1,274 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 405 | 1,217 | 1,274 |
| Voted capital items | | | |
| Capital | 1,070 | 1,270 | 1,070 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 1,070 | 1,270 | 1,070 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -600 | -600 | -583 |
| Depreciation | -500 | -500 | -1,171 |
| New provisions and adjustments to previous provisions | - | - | - |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | -40 | -40 | -40 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | -519 |
| Increase (-) / Decrease (+) in creditors | - | - | 945 |
| Use of provisions | - | - | - |
| Total accruals to cash adjustments | -1,140 | -1,140 | -1,368 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 335 | 1,347 | 976 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 405 | 1,217 | 1,274 |
| Total Net Administration costs | 405 | 1,217 | 1,274 |
| Total Net Operating Cost | 405 | 1,217 | 1,274 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 405 | 1,217 | 1,274 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 405 | 1,217 | 1,274 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 405 | 1,217 | 1,274 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 405 | 1,217 | 1,274 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 405 | 1,217 | 1,274 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 405 | 1,217 | 1,274 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 1,070 | 1,270 | 1,070 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 1,070 | 1,270 | 1,070 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1,070 | 1,270 | 1,070 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Robin Ryde, Chief Executive

Robin Ryde as the Accounting Officer of the National School of Government has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the National School of Government.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government | | | |
| Administration | 30,000 | 30,000 | 28,072 |
| <i>of which:</i> | | | |
| Sale of goods and services | 30,000 | 30,000 | 28,072 |
| Total RfR 1 | 30,000† | 30,000 | 28,072 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from courses.</i> | | | |
| Total Operating A in A | 30,000 | 30,000 | 28,072 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|----------------------------------|-------|-----------|-------|
| | Voted | Non-voted | Total |
| Resource DEL | 405 | - | 405 |
| <i>of which:</i> [†] | | | |
| Administration budget | 405 | - | 405 |
| Near-cash in RDEL | -735 | - | -735 |
| Capital DEL ^{††} | 1,070 | - | 1,070 |
| Less Depreciation ^{†††} | -500 | - | -500 |
| Total DEL | 975 | - | 975 |

[†] The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

^{††} Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

^{†††} Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £405,000 is 66.7 per cent lower than the final net provision for 2007-08 of £1,217,000 and the forecast outturn for 2007-08 of £1,217,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 30,000 | 30,000 | 28,072 |

Central Office of Information

Introduction

1. This Estimate covers the Central Advisory Service for publicity advice provided centrally.
2. Further details of COI expenditure can be found in the Resource Accounts published later this year.
3. Symbols are explained in the Introduction to this booklet.

Central Office of Information

Part I

| | £ |
|---|----------------|
| Request for Resources 1: Achieving maximum communication effectiveness with best value for money | 708,000 |
| Total net resource requirement | 708,000 |
| Net cash requirement | 692,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Central Office of Information on:

RfR 1: Achieving maximum communication effectiveness with best value for money

Advice to government centrally on publicity matters and associated non-cash items.

The **Central Office of Information** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|----------------|------------------------------------|------------------------|
| RfR 1 | 708,000 | 322,000 | 386,000 |
| Total net resource requirement | 708,000 | 322,000 | 386,000 |
| Net cash requirement | 692,000 | 319,000 | 373,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|---|--------------------------------------|--------|-------------|--------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Achieving maximum communication effectiveness with best value for money | | | | | | | | | |
| - | 699 | 9 | 708 | - | 708 | - | - | 716 | 698 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | COI - publicity and advisory service | | | | | | | | |
| - | 699 | 9 | 708 | - | 708 | - | - | 716 | 698 |
| Total for Estimate: | | | | | | | | | |
| - | 699 | 9 | 708 | - | 708 | - | - | 716 | 698 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 708 | 716 | 698 |
| Voted capital items | | | |
| Capital | - | - | - |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | - | - | - |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -9 | - | -9 |
| Depreciation | - | - | - |
| New provisions and adjustments to previous provisions | - | - | - |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | -7 | -7 | -5 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | - | - |
| Use of provisions | - | - | - |
| Total accruals to cash adjustments | -16 | -7 | -14 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 692 | 709 | 684 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

| | £'000 | | |
|----------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Programme Costs | | | |
| RfR 1 | 708 | 716 | 698 |
| Total Net Programme costs | 708 | 716 | 698 |
| Total Net Operating Cost | 708 | 716 | 698 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 708 | 716 | 698 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 708 | 716 | 698 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 708 | 716 | 698 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 708 | 716 | 698 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 708 | 716 | 698 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 708 | 716 | 698 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | - | - | - |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | - | - | - |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resource within this Estimate.

Request for Resources 1: Alan Bishop, Chief Executive

Alan Bishop as the Accounting Officer of the Central Office of Information has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Central Office of Information.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|-------|-----------|-------|
| | Voted | Non-voted | Total |
| Resource DEL | 708 | - | 708 |
| <i>of which:†</i> | | | |
| Administration budget | - | - | - |
| Near-cash in RDEL | 692 | - | 692 |
| Capital DEL†† | - | - | - |
| Less Depreciation††† | - | - | - |
| Total DEL | 708 | - | 708 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £708,000 is 1.1 per cent lower than the final net provision for 2007-08 of £716,000 and the forecast outturn for 2007-08 of £716,000.

Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England

Introduction

1. The Parliamentary Commissioner for Administration and Health Service Commissioner for England's Estimate includes one request for resources. RfR 1 – 'To undertake the work of the Parliamentary Commissioner for Administration and Health Service Commissioner for England' includes staff salaries, general administrative costs and capital expenditure programmes. In addition, this RfR covers expenditure in support of the Public Services Ombudsman for Wales, the Scottish Public Services Ombudsman and the Northern Ireland Ombudsman, together with cost sharing arrangements with the Commission for Local Administration in England and the Information Commissioner. Expenditure incurred on behalf of these bodies is recovered through appropriations in aid.

2. Symbols are explained in the Introduction to this booklet.

Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England

Part I

£

| | |
|--|-------------------|
| Request for Resources 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England | 24,026,000 |
| Total net resource requirement | 24,026,000 |
| Net cash requirement | 24,126,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England on:

RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England

Administration costs; capital expenditure; providing services to support the Public Services Ombudsman for Wales, the Scottish Public Services Ombudsman and the Northern Ireland Ombudsman together with cost sharing arrangements with the Commission for Local Administration in England and the Information Commissioner; and associated non-cash items.

The **Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England** will account for this Estimate.

£

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|-------------------|------------------------------------|------------------------|
| RfR 1 | 24,026,000 | 10,812,000 | 13,214,000 |
| Total net resource requirement | 24,026,000 | 10,812,000 | 13,214,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|--|------------------|--------|-------------|--------|-----------|----------------------|--------------------|-----------|-----------|
| Resources | | | | | | Capital | Non- operating | Net Total | Net Total |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England | | | | | | | | | |
| - | 24,446 | - | 24,446 | 420 | 24,026 | 1,600 | - | 24,426 | 22,674 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A | Administration | | | | | | | | |
| - | 24,446 | - | 24,446 | 420 | 24,026 | 1,600 | - | 24,426 | 22,674 |
| Total for Estimate: | | | | | | | | | |
| - | 24,446 | - | 24,446 | 420 | 24,026 | 1,600 | - | 24,426 | 22,674 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 24,026 | 24,426 | 22,674 |
| Voted capital items | | | |
| Capital | 1,600 | 1,537 | 4,897 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 1,600 | 1,537 | 4,897 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | - | -75 | -75 |
| Depreciation | -1,900 | -1,244 | -1,133 |
| New provisions and adjustments to previous provisions | - | - | -223 |
| Profit/loss on sale of assets | - | - | -204 |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | -53 | -45 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | - | - |
| Use of provisions | 400 | 350 | 1,355 |
| Total accruals to cash adjustments | -1,500 | -1,022 | -325 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 24,126 | 24,941 | 27,246 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

| | £'000 | | |
|----------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Programme Costs | | | |
| RfR 1 | 24,026 | 24,426 | 22,674 |
| Non-voted | 187 | 187 | 179 |
| Total Net Programme costs | 24,213 | 24,613 | 22,853 |
| Total Net Operating Cost | 24,213 | 24,613 | 22,853 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 24,026 | 24,426 | 22,674 |
| Non-voted expenditure | 187 | 187 | 179 |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 24,213 | 24,613 | 22,649 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 24,026 | 24,426 | 22,674 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | 187 | 187 | 179 |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 24,213 | 24,613 | 22,853 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | -204 |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 24,213 | 24,613 | 22,649 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 24,213 | 24,613 | 22,649 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 1,600 | 1,537 | 4,897 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 1,600 | 1,537 | 4,897 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1,600 | 1,537 | 4,897 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Parliamentary Commissioner for Administration and the Health Service Commissioner for England (known as the Parliamentary and Health Service Ombudsman (PHSO)) is appointed by Her Majesty by Letters Patent and is ex-officio Accounting Officer for the Request for Resource within this Estimate.

Request for Resources 1: Ms Ann Abraham, Parliamentary Commissioner for Administration and Health Service Commissioner for England

Ann Abraham, as the ex-officio Accounting Officer of the Office of the Parliamentary Commissioner for Administration and Health Service Commissioner for England, has agreed with the Treasury that the Accounting Officer duties as laid down in Managing Public Money apply.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)**Analysis of operating appropriations in aid (A in A)**

| | £'000 | | |
|---|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England | | | |
| Programme | 420 | 347 | 369 |
| <i>of which:</i> | | | |
| Sale of goods and services | 420 | 347 | 369 |
| Total RfR 1 | 420† | 347 | 369 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges levied on the Public Services Ombudsman for Wales, the Scottish Public Services Ombudsman, the Northern Ireland Ombudsman, the Commissioner for Local Administration in England and the Commissioner for Information for the provision of Ombudsman and support services; and recovery of costs of staff on loan.</i> | | | |
| Total Operating A in A | 420 | 347 | 369 |

Notes to the Main Estimate (*continued*)**Departmental Expenditure Limits and Administration budgets**

| | £'000 | | |
|-----------------------|---------------|------------------|---------------|
| | Voted | Non-voted | Total |
| Resource DEL | 24,026 | 187 | 24,213 |
| <i>of which: †</i> | | | |
| Administration budget | - | - | - |
| Near-cash in RDEL | 22,126 | 587 | 22,713 |
| Capital DEL †† | 1,600 | - | 1,600 |
| Less Depreciation ††† | -1,900 | - | -1,900 |
| Total DEL | 23,726 | 187 | 23,913 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £24,026,000 is 1.6 per cent lower than the final net provision for 2007-08 of £24,426,000 and 0.6 per cent lower than the forecast outturn for 2007-08 of £24,170,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|------------------------------|------------------------------|----------------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 420 | 347 | 369 |

House of Lords

Introduction

1. This Estimate covers the reimbursement of Members' expenses incurred by them for the purpose of their parliamentary duty together with the administrative and accommodation costs of the House of Lords. It includes the payment of staff salaries and pensions, supplies, catering services, the House of Lords' share of the accommodation and security costs for the Parliamentary Estate shared with the House of Commons, financial assistance to opposition parties and grants in aid to Parliamentary bodies.
2. Control is vested in the House of Lords' House Committee, appointed each session. The spending plans provide for a uniform level of the service to House and its Committees.
3. Symbols are explained in the Introduction to this booklet.

House of Lords

Part I

| | £ |
|--|--------------------|
| Request for Resources 1: Members' expenses and administration, etc. | 110,838,000 |
| Total net resource requirement | 110,838,000 |
| Net cash requirement | 86,720,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the House of Lords on:

RfR 1: Members' expenses and administration, etc.

Members' expenses; administrative and accommodation costs, including staff salaries and pensions; security; stationery; printing; financial assistance to opposition parties; grants in aid to Parliamentary bodies; and associated non-cash items.

The **House of Lords Administration** will account for this Estimate.

| | £ | | |
|---------------------------------------|--------------------|------------------------------------|------------------------|
| | Net total | Allocated in Vote on Account | Balance to complete |
| RfR 1 | 110,838,000 | 51,385,000 | 59,453,000 |
| Total net resource requirement | 110,838,000 | 51,385,000 | 59,453,000 |
| Net cash requirement | 86,720,000 | 50,100,000 | 36,620,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | | | 2007-08 Provision | 2006-07 Outturn | | |
|--|------------------|--------|-------------|--------|-----------|------------------------------|--------|------------------------|------------------------|--------|--------|
| Resources | | | | | | Capital Non- operating | | Net Total Resources | Net Total Resources | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 1: Members' expenses and administration, etc. | | | | | | | | | | | |
| - | 108,248 | 9,641 | 117,889 | 7,051 | 110,838 | 9,825 | - | 127,674 | 99,696 | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Administration | - | 65,728 | 5,836 | 71,564 | 5,842 | 65,722 | 1,001 | - | 62,396 | 55,697 |
| B | Works Services | - | 45,505 | - | 45,505 | 1,209 | 44,296 | 8,824 | - | 41,147 | 42,951 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| C | Administration | - | -2,985 | 3,805 | 820 | - | 820 | - | - | 24,131 | 1,048 |
| Total for Estimate: | | | | | | | | | | | |
| - | 108,248 | 9,641 | 117,889 | 7,051 | 110,838 | 9,825 | - | 127,674 | 99,696 | | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 110,838 | 127,674 | 99,696 |
| Voted capital items | | | |
| Capital | 9,825 | 34,350 | 8,447 |
| Less Non-operating A-in-A | - | - | - |
| Total net voted capital | 9,825 | 34,350 | 8,447 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -19,621 | -16,809 | -16,941 |
| Depreciation | -9,666 | -31,665 | -7,016 |
| New provisions and adjustments to previous provisions | -8,156 | -7,302 | -7,901 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | -110 | -110 | -107 |
| Increase (+) / Decrease (-) in stock | 10 | 15 | 29 |
| Increase (+) / Decrease (-) in debtors | -50 | -100 | -1,520 |
| Increase (-) / Decrease (+) in creditors | 350 | 2,332 | 398 |
| Use of provisions | 3,300 | 2,949 | 2,497 |
| Total accruals to cash adjustments | -33,943 | -50,690 | -30,561 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 86,720 | 111,334 | 77,582 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

| | £'000 | | |
|----------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Programme Costs | | | |
| RfR 1 | 110,838 | 127,674 | 99,696 |
| Total Net Programme costs | 110,838 | 127,674 | 99,696 |
| Total Net Operating Cost | 110,838 | 127,674 | 99,696 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 110,838 | 127,674 | 99,696 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 110,838 | 127,674 | 99,696 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 110,838 | 127,674 | 99,696 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 110,838 | 127,674 | 99,696 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 110,838 | 127,674 | 99,696 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 110,018 | 103,543 | 98,648 |
| Annually Managed Expenditure (AME) | 820 | 24,131 | 1,048 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 9,825 | 34,350 | 8,447 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 9,825 | 34,350 | 8,447 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 9,825 | 34,350 | 8,447 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Clerk of the Parliaments is appointed by Her Majesty by Letters Patent and is ex-officio Accounting Officer for the Request for Resource within this Estimate.

Request for Resources 1: Michael Pownall, Clerk of the Parliaments

Michael Pownall as the Accounting Officer of the House of Lords has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the House of Lords Administration.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Members' expenses and administration, etc. | | | |
| Programme | 7,051 | 6,469 | 6,229 |
| <i>of which:</i> | | | |
| Sale of goods and services | 5,983 | 5,427 | 4,082 |
| Pension scheme related income | 1,068 | 1,042 | 2,147 |
| Total RfR 1 | 7,051† | 6,469 | 6,229 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: judicial proceedings; private bills; taxation of costs; reproduction of works of art; fees etc; refreshment department sales; rental income; and other charges.</i> | | | |
| Total Operating A in A | 7,051 | 6,469 | 6,229 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|---------|-----------|---------|
| | Voted | Non-voted | Total |
| Resource DEL | 110,018 | - | 110,018 |
| <i>of which: †</i> | | | |
| Administration budget | - | - | - |
| Near-cash in RDEL | 73,285 | - | 73,285 |
| Capital DEL †† | 9,825 | - | 9,825 |
| Less Depreciation ††† | -9,666 | - | -9,666 |
| Total DEL | 110,177 | - | 110,177 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £110,838,000 is 13.2 per cent lower than the final net provision for 2007-08 of £127,674,000 and 2.6 per cent lower than the forecast outturn for 2007-08 of £113,806,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 7,051 | 6,469 | 6,229 |

House of Commons: Members

Introduction

1. This Estimate remunerates and supports Members of the House of Commons in discharging their duties and responsibilities, in the constituency, in Parliament and elsewhere.

2. It funds:

- payment of parliamentary salaries and associated pension contributions;
- reimbursement of certain expenses incurred by Members (including travel, office costs, staff and equipment);
- payment for insurance;
- central provision of IT equipment;
- provision of training for Members and their staff; and
- other associated costs and non-cash items.

It also provides for financial assistance to Opposition parties to support them in the discharge of their parliamentary or representative duties, and an Exchequer contribution to the Members' Fund.

3. Symbols are explained in the Introduction to this booklet.

House of Commons: Members

Part I

| | £ |
|---|--------------------|
| Request for Resources 1: Members' salaries, allowances and other costs | 176,800,000 |
| Total net resource requirement | 176,800,000 |
| Net cash requirement | 175,300,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the House of Commons: Members on:

RfR 1: Members' salaries, allowances and other costs

Remunerating and supporting the Members of the House of Commons in discharging their duties and responsibilities in the constituency, in Parliament and elsewhere by funding: payment of parliamentary salaries and associated pension contributions; reimbursement of certain expenses incurred by Members (including travel, office costs, staff and equipment); payment for insurance; central provision of IT equipment; provision of training for Members and their staff; financial assistance to Opposition parties to support them in the discharge of their parliamentary or representative functions; an Exchequer contribution to the Members' Fund; other associated costs; and non-cash items.

The Clerk of the **House of Commons** will account for this Estimate.

| | Net total | Allocated in Vote on Account | Balance to complete |
|---------------------------------------|--------------------|------------------------------------|------------------------|
| RfR 1 | 176,800,000 | 73,417,000 | 103,383,000 |
| Total net resource requirement | 176,800,000 | 73,417,000 | 103,383,000 |
| Net cash requirement | 175,300,000 | 73,079,000 | 102,221,000 |

Part II: Subhead detail

£'000

| 2008-09 Provision | | | | | | | | 2007-08 Provision | 2006-07 Outturn |
|---|------------------|--------|-------------|--------|-----------|------------------------------|--------|------------------------|------------------------|
| Resources | | | | | | Capital Non- operating | | Net Total Resources | Net Total Resources |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| RfR 1: Members' salaries, allowances and other costs | | | | | | | | | |
| - | 164,567 | 12,233 | 176,800 | - | 176,800 | 102 | 2 | 169,610 | 145,800 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Members' salaries, allowances and other costs | | | | | | | | | |
| - | 164,567 | 12,233 | 176,800 | - | 176,800 | 102 | 2 | 169,610 | 145,800 |
| Total for Estimate: | | | | | | | | | |
| - | 164,567 | 12,233 | 176,800 | - | 176,800 | 102 | 2 | 169,610 | 145,800 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 176,800 | 169,610 | 145,800 |
| Voted capital items | | | |
| Capital | 102 | 250 | 1,200 |
| Less Non-operating A-in-A | 2 | 2 | - |
| Total net voted capital | 100 | 248 | 1,200 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | 4,100 | 4,000 | 5,004 |
| Depreciation | -600 | -500 | -697 |
| New provisions and adjustments to previous provisions | -5,000 | -2,600 | -2,904 |
| Profit/loss on sale of assets | - | - | - |
| Prior period adjustments | - | - | - |
| Other non-cash items | -100 | -100 | -100 |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | - | - |
| Increase (-) / Decrease (+) in creditors | - | - | - |
| Use of provisions | - | - | - |
| Total accruals to cash adjustments | -1,600 | 800 | 1,303 |
| Excess cash to be CFERd | - | - | - |
| Net Cash Requirement | 175,300 | 170,658 | 148,303 |

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

Forecast Operating Cost Statement

| | £'000 | | |
|----------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Programme Costs | | | |
| RfR 1 | 176,800 | 169,610 | 145,800 |
| Total Net Programme costs | 176,800 | 169,610 | 145,800 |
| Total Net Operating Cost | 176,800 | 169,610 | 145,800 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 176,800 | 169,610 | 145,800 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | - | - | - |
| Resource Budget | 176,800 | 169,610 | 145,800 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 176,800 | 169,610 | 145,800 |
| <i>Adjustments to remove:</i> | | | |
| Provision voted for earlier years | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Non-voted expenditure in the OCS | - | - | - |
| Consolidated Fund Extra Receipts in the OCS | - | - | - |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 176,800 | 169,610 | 145,800 |
| <i>Adjustments to remove:</i> | | | |
| Gains / losses from sale of capital assets | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | - |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Resource consumption of non departmental public bodies | - | - | - |
| Unallocated resource provision | - | - | - |
| Other adjustments | - | - | - |
| Resource Budget (Budget) | 176,800 | 169,610 | 145,800 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 176,800 | 169,610 | 145,800 |
| Annually Managed Expenditure (AME) | - | - | - |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 100 | 248 | 1,200 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | - | - | - |
| Capital grants | - | - | - |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Capital spending by levy funded bodies | - | - | - |
| Unallocated capital provision | - | - | - |
| Other adjustments | - | - | - |
| Capital Budget (Budget) | 100 | 248 | 1,200 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 100 | 248 | 1,200 |
| Annually Managed Expenditure (AME) | - | - | - |

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Clerk of the House of Commons, Dr M R Jack, has been appointed as Accounting Officer for the House of Commons: Members' Estimate by the Speaker.

The responsibilities of the Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the House's assets, are broadly in line with those set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Managing Public Money*.

Notes to the Main Estimate (*continued*)

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Members' salaries, allowances and other costs | | | |
| Programme | 2 | 2 | - |
| <i>of which:</i> | | | |
| Sale of assets | 2 | 2 | - |
| Total RfR 1 | 2† | 2 | - |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of IT equipment.</i> | | | |
| Total Non-Operating A in A | 2 | 2 | - |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|---------|-----------|---------|
| | Voted | Non-voted | Total |
| Resource DEL | 176,800 | - | 176,800 |
| <i>of which: †</i> | | | |
| Administration budget | - | - | - |
| Near-cash in RDEL | 175,200 | - | 175,200 |
| Capital DEL †† | 100 | - | 100 |
| Less Depreciation ††† | -600 | - | -600 |
| Total DEL | 176,300 | - | 176,300 |

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2008-09 of £176,800,000 is 4.2 per cent higher than the final net provision for 2007-08 of £169,610,000 and the forecast outturn for 2007-08 of £169,610,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid. | 2 | 2 | - |

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|--|-------|
| RfR 1-A | Financial assistance to opposition parties ♥ | 6,980 |



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